

## Calendar No. 580

109TH CONGRESS  
2D SESSION**S. 2823**

To provide life-saving care for those with HIV/AIDS.

## IN THE SENATE OF THE UNITED STATES

MAY 17, 2006

Mr. ENZI (for himself, Mr. KENNEDY, Mr. HATCH, Mr. DEWINE, Mr. BURR,  
and Mr. FRIST) introduced the following bill; which was read twice and  
referred to the Committee on Health, Education, Labor, and Pensions

AUGUST 3, 2006

Reported by Mr. ENZI, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]**A BILL**

To provide life-saving care for those with HIV/AIDS.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “~~Ryan White HIV/~~  
5       ~~AIDS Treatment Modernization Act~~”.

1     **TITLE I—EMERGENCY RELIEF**  
 2             **FOR ELIGIBLE AREAS**

3     **SEC. 101. ESTABLISHMENT AND GENERAL ELIGIBILITY.**

4             ~~(a) IN GENERAL.—~~Section 2601 of the Public Health  
 5     Service Act (42 U.S.C. 300ff-11) is amended by striking  
 6     subsections (b) through (d) and inserting the following:

7             ~~“(b) CONTINUED STATUS AS ELIGIBLE AREA.—~~Not-  
 8     withstanding any other provision of this section, a metro-  
 9     politan area shall continue to be eligible to receive a grant  
 10    under this part until such area, for three consecutive grant  
 11    years, fails to meet the requirements of subsection (a).”.

12            ~~(b) DEFINITION.—~~Section 2607(2) of the Public  
 13    Health Service Act (42 U.S.C. 300ff-17(2)) is amended  
 14    by adding at the end the following: “For purposes of de-  
 15    termining eligibility under this part, the boundaries of  
 16    each metropolitan area shall be the boundaries that were  
 17    in effect for each such area for fiscal year 1994.”.

18    **SEC. 102. LIVING CASES OF HIV/AIDS.**

19            ~~(a) IN GENERAL.—~~Section 2601(a) of the Public  
 20    Health Service Act (42 U.S.C. 300ff-11(a)) is amended  
 21    by striking “for which there” and all that follows through  
 22    “available” and inserting “for which there is reported to  
 23    and confirmed by the Director of the Centers for Disease  
 24    Control and Prevention a cumulative total of more than

1 2,000 cases of AIDS for the most recent period of 5 cal-  
 2 endar years for which such data are available”.

3 ~~(b) DISTRIBUTION BASED ON LIVING CASES OF HIV/~~  
 4 ~~AIDS.—Section 2603(a)(3) of the Public Health Service~~  
 5 ~~Act (42 U.S.C. 300ff–13(a)(3)) is amended—~~

6 ~~(1) in subparagraph (B), by striking “cases of~~  
 7 ~~acquired immune deficiency syndrome” and inserting~~  
 8 ~~“cases of HIV/AIDS (reported to and confirmed by~~  
 9 ~~the Director of the Centers for Disease Control and~~  
 10 ~~Prevention)”;~~

11 ~~(2) by striking subparagraphs (C) and (D) and~~  
 12 ~~inserting the following:~~

13 ~~“(C) LIVING CASES OF HIV/AIDS.—~~

14 ~~“(i) IN GENERAL.—Except as pro-~~  
 15 ~~vided for in clauses (ii) and (iii), the~~  
 16 ~~amount determined in this subparagraph is~~  
 17 ~~the number of living cases of HIV/AIDS~~  
 18 ~~(reported to and confirmed by the Director~~  
 19 ~~of the Centers for Disease Control and~~  
 20 ~~Prevention) through December 31 of the~~  
 21 ~~most recent calendar year.~~

22 ~~“(ii) FISCAL YEARS 2007 THROUGH~~  
 23 ~~2010.—For each of fiscal years 2007~~  
 24 ~~through 2010, the Secretary may use the~~

1 proxy number for the number of HIV cases  
2 described in clause (iii) if—

3 “(I) the State involved—

4 “(aa) is reporting, or the  
5 State will by October 1, 2006  
6 have submitted a transition plan  
7 for reporting, accurate and reli-  
8 able HIV cases to the Director of  
9 the Centers for Disease Control  
10 and Prevention; or

11 “(bb) not later than October  
12 1, 2006, make all necessary stat-  
13 utory changes to allow for the  
14 collection of HIV data certified  
15 by the Director of the Centers  
16 for Disease Control and Preven-  
17 tion;

18 “(H) the State involved will by  
19 April 1, 2008, begin reporting accu-  
20 rate and reliable HIV cases, as deter-  
21 mined by the Director of the Centers  
22 for Disease Control and Prevention;  
23 and

24 “(III) the Director of the Centers  
25 for Disease Control and Prevention

1           has determined that such State does  
 2           not have an established HIV surveil-  
 3           lance system.

4           “(iii) AMOUNT DETERMINED.—With  
 5           respect to each of fiscal years 2007  
 6           through 2010, the amount determined  
 7           under this subparagraph shall be the lesser  
 8           of—

9                     “(I) the product of 0.9 and the  
 10           number of living AIDS cases in the  
 11           area involved; or

12                    “(H) an amount equal to 110  
 13           percent of the funding level for the  
 14           previous fiscal year, taking into ac-  
 15           count the shift of the formula pool  
 16           from 0.5 to 0.67 in fiscal year 2006.”;  
 17           and

18           (3) by redesignating subparagraph (E) as sub-  
 19           paragraph (D).

20           (e) APPLICATION.—Section 2604(b)(4)(A) of the  
 21           Public Health Service Act (42 U.S.C. 300ff-14(b)(4)(A))  
 22           is amended—

23                    (1) by striking “acquired immune deficiency  
 24           syndrome” and inserting “HIV/AIDS”; and

1           (2) by striking “such syndrome” and inserting  
2           “HIV/AIDS”.

3           (d) COORDINATION.—Section 2605(b) of the Public  
4 Health Service Act (42 U.S.C. 300ff-15(b)) is amended—

5           (1) in paragraph (3), by striking “and” at the  
6           end;

7           (2) in paragraph (4), by striking the period and  
8           inserting a semicolon; and

9           (3) by adding at the end the following:

10           “(5) the manner in which the expected expendi-  
11           tures under the grant are related to the planning  
12           process for States that receive funding under part B  
13           (including the planning process described in section  
14           2617(b)); and

15           “(6) the expected expenditures under the grant  
16           and how those expenditures will improve overall cli-  
17           ent outcomes, as described under the State plan  
18           under section 2617(b), or through additional out-  
19           comes measures.”.

20   **SEC. 103. TYPE AND DISTRIBUTION OF GRANTS.**

21           (a) DISTRIBUTION OF FUNDS.—Section 2603(a)(2)  
22 of the Public Health Service Act (42 U.S.C. 300ff-  
23 13(a)(2)) is amended by striking “50 percent” and insert-  
24 ing “66⅔ percent”.

1       (b) ~~EMERGENCY GRANTS.—~~Section 2603(a)(3)(E) of  
 2 the Public Health Service Act (42 U.S.C. 300ff–  
 3 13(a)(3)(E)) is amended to read as follows:

4               “(E) ~~UNEXPENDED FUNDS.—~~

5               “(i) ~~IN GENERAL.—~~An eligible area  
 6 that has unobligated funds for a fiscal year  
 7 under a grant under this part shall—

8               “(I) return such funds to the  
 9 Secretary to be applied as provided  
 10 for in subsection (b); or

11              “(II) submit an application to  
 12 the Secretary for the use of such  
 13 funds in the succeeding fiscal year  
 14 that includes a description of the  
 15 manner in which the area intends to  
 16 use such funds.

17              “(ii) ~~CARRYOVER.—~~With respect to  
 18 an application received under clause (i)(II),  
 19 the Secretary shall determine whether the  
 20 area involved may carryover any unobli-  
 21 gated funds for use under this part in the  
 22 succeeding fiscal year or whether such  
 23 amounts shall be returned to the Secretary  
 24 for use under subsection (b). Notice shall

1 be provided to the area of such determina-  
 2 tion.

3 ~~“(iii) FAILURE TO EXPEND FUNDS.—~~  
 4 Amounts carried over by an eligible area  
 5 under this subparagraph that are not ex-  
 6 pended in the succeeding fiscal year shall  
 7 be returned to the Secretary for use under  
 8 subsection (b).

9 ~~“(iv) CONSIDERATION IN MAKING~~  
 10 GRANTS.—The Secretary may, in deter-  
 11 mining the amount of a grant for a fiscal  
 12 year under this paragraph, adjust the  
 13 grant amount to reflect the amount of un-  
 14 expended and unencumbered grant funds re-  
 15 maining at the end of the fiscal year pre-  
 16 ceding the year for which the grant deter-  
 17 mination is to be made. The amount of  
 18 any such unexpended funds shall be deter-  
 19 mined using the financial status report of  
 20 the grantee.”.

21 (c) ~~HOLD HARMLESS.—~~Section 2603(a)(4) of the  
 22 Public Health Service Act (42 U.S.C. 300ff-13(a)(4)) is  
 23 amended to read as follows:

24 ~~“(4) INCREASES IN GRANT.—~~



“(A) IN GENERAL.—For eligible areas receiving grants under this section in fiscal year 2007, the Secretary shall increase the amount of the grant made pursuant to paragraph (2) for the area to ensure that—

“(i) for fiscal year 2007, the grant is not less than 90 percent of the amount of the grant made for the eligible area pursuant to such paragraph for the base year;

“(ii) for fiscal year 2008, the grant is not less than 85 percent of the amount of such base year grant; and

“(iii) for fiscal year 2009, the grant is not less than 80 percent of the amount of the base year grant.

“(B) BASE YEAR.—With respect to grants made pursuant to paragraph (2) for an eligible area, the base year shall be fiscal year 2006.”.

**SEC. 104. CORE MEDICAL SERVICES.**

Section 2604 of the Public Health Service Act (42 U.S.C. 300ff-14) is amended by adding at the end the following:

“(h) REQUIRED FUNDING FOR CORE MEDICAL SERVICES.—

1           “(1) IN GENERAL.—Notwithstanding any other  
 2           provision of law, a grantee under this part shall ex-  
 3           pend not less than 75 percent of the funds received  
 4           under the grant on core medical services, except that  
 5           the Secretary shall waive the application of this sub-  
 6           section with respect to a grantee if the Secretary de-  
 7           termines that, within the service area of the grant-  
 8           ee—

9                       “(A) there is no waiting lists for AIDS  
 10           Drug Assistance Program services; and

11                      “(B) core medical services are available to  
 12           all individuals infected with HIV/AIDS.

13           “(2) CORE MEDICAL SERVICES.—For purposes  
 14           of this subsection, the term ‘core medical services’  
 15           with respect to an individual infected with HIV/  
 16           AIDS (including the co-occurring diseases of the in-  
 17           dividual) means the following services:

18                      “(A) Outpatient and ambulatory health  
 19           services.

20                      “(B) AIDS Drug Assistance Program  
 21           treatments.

22                      “(C) AIDS pharmaceutical assistance.

23                      “(D) Oral health care.

24                      “(E) Early intervention services.

1           ~~“(F) Health insurance premium and cost~~  
 2           ~~sharing assistance for low-income individuals.~~

3           ~~“(G) Home health care.~~

4           ~~“(H) Hospice services.~~

5           ~~“(I) Home and community-based health~~  
 6           ~~services as defined under section 2614(e), ex-~~  
 7           ~~cept homemaker services.~~

8           ~~“(J) Mental health services.~~

9           ~~“(K) Substance abuse outpatient care.~~

10          ~~“(L) Medical case management, including~~  
 11          ~~treatment adherence services.~~

12          ~~“(3) SUPPORT SERVICES.—Notwithstanding~~  
 13          ~~any other provision of law, and subject to paragraph~~  
 14          ~~(1), a grantee under this part, subject to the ap-~~  
 15          ~~proval of the Secretary, may provide support services~~  
 16          ~~(such as respite care for individuals with HIV/AIDS,~~  
 17          ~~outreach services, medical transportation, nutritional~~  
 18          ~~counseling, linguistic services, and referral for health~~  
 19          ~~care and support services for individuals with HIV/~~  
 20          ~~AIDS) needed to achieve medical outcomes which~~  
 21          ~~are related to the medical outcomes for an individual~~  
 22          ~~infected with HIV and approved by the Secretary.~~

23          ~~“(4) DEFINITION OF MEDICAL OUTCOMES.—In~~  
 24          ~~this subsection, the term ‘medical outcomes’ means~~

1 those outcomes affecting the HIV-related clinical  
 2 status of an individual with HIV/AIDS.

3 ~~“(5) UNEXPENDED FUNDS.—Any amounts re-~~  
 4 ~~quired to be expended for core medical services or~~  
 5 ~~support services under this subsection that remain~~  
 6 ~~unobligated at the end of the fiscal year in which the~~  
 7 ~~funds were awarded shall be remitted to the Sec-~~  
 8 ~~retary for reallocation under section 2603(b).”.~~

9 **SEC. 105. SUPPLEMENTAL GRANTS.**

10 Section 2603(b) of the Public Health Service Act (42  
 11 U.S.C. 300ff-13(b)) is amended—

12 (1) by striking “severe need” each place that  
 13 such appears and inserting “demonstrated need”;

14 (2) in paragraph (1)—

15 (A) in the matter preceding subparagraph  
 16 (A), by striking “Not later than” and all that  
 17 follows through “the Secretary shall” and insert  
 18 “The Secretary shall”;

19 (B) by striking subparagraph (F) and in-  
 20 serting the following:

21 “(F) demonstrate the inclusiveness of af-  
 22 fected communities and individuals with HIV/  
 23 AIDS;”;

24 (C) in subparagraph (G), by striking the  
 25 period and inserting “; and”; and

1           ~~(D)~~ by adding at the end the following:

2           “(H) demonstrate the ability of the appli-  
3           cant to expend funds efficiently by not having  
4           any unexpended funds reallocated under section  
5           2603(a)(3)(E).”;

6           ~~(3)~~ in paragraph (2)—

7           (A) by striking subparagraph (B) and in-  
8           serting the following:

9           “(B) DEMONSTRATED NEED.—In deter-  
10          mining demonstrated need for purposes of sub-  
11          paragraph (A), the Secretary shall consider rel-  
12          evant factors that impact the need for supple-  
13          mental financial assistance, including—

14               “(i) the unmet need for such services;  
15               as determined under section 2602(b)(4) or  
16               other community input process as defined  
17               under section 2609A(a);

18               “(ii) an increasing need for HIV/  
19               AIDS-related services, including relative  
20               rates of increase in the number of cases of  
21               HIV/AIDS;

22               “(iii) the relative rates of increase in  
23               the number of cases of HIV/AIDS within  
24               new or emerging subpopulations;

1 “(iv) the current prevalence of HIV/  
2 AIDS;

3 “(v) relevant factors related to the  
4 cost and complexity of delivering health  
5 care to individuals with HIV/AIDS in the  
6 eligible area;

7 “(vi) the impact of co-morbid factors,  
8 including co-occurring infections, deter-  
9 mined relevant by the Secretary;

10 “(vii) the prevalence of homelessness;

11 “(viii) the prevalence of individuals  
12 described under section 2602(b)(2)(M);

13 “(ix) the relevant factors that limit  
14 access to health care, including geographic  
15 variation, adequacy of health insurance  
16 coverage, and language barriers; or

17 “(x) the impact of a precipitous de-  
18 cline in the amount received under this  
19 subpart to an increase in unmet need for  
20 such services.”; and

21 (B) by striking subparagraphs (C) and  
22 (D).

23 **SEC. 106. ADMINISTRATIVE COSTS.**

24 Section 2604(f) of the Public Health Service Act (42  
25 U.S.C. 300ff-14(f)) is amended—

1           (1) in paragraph (1), by striking “5 percent”  
2           and inserting “10 percent”; and

3           (2) in paragraph (2)(B), by inserting “the ac-  
4           tivities carried out by HIV health services planning  
5           council as established under section 2602(b),” after  
6           “including”.

7   **SEC. 107. AUDITS.**

8           Section 2605(a) of the Public Health Service Act (42  
9   U.S.C. 300ff-15(a)) is amended—

10          (1) in paragraph (8), by striking “and” at the  
11          end;

12          (2) in paragraph (9), by striking the period and  
13          inserting “; and”, and

14          (3) by adding at the end the following:

15           “(10) that the chief elected official will submit  
16           to the lead State agency under section 2617(b)(4),  
17           audits regarding funds expended in accordance with  
18           this part every 2 years and shall include necessary  
19           client-based data to compile unmet need calculations  
20           and Statewide coordinated statements of need pro-  
21           cess.”.

22   **SEC. 108. PLANNING COUNCIL REPRESENTATION.**

23           Section 2602(b)(2)(G) of the Public Health Service  
24   Act (42 U.S.C. 300ff-12(b)(2)(G)) is amended by insert-

ing “, Native Americans; individuals co-infected with hepatitis B or C” after “disease”.

**SEC. 109. PAYER OF LAST RESORT.**

Section 2605(a)(6)(A) of the Public Health Service Act (42 U.S.C. 300ff-15(a)(6)(A)) is amended by inserting “(except for a program administered by or providing the services of the Indian Health Service)” before the semicolon.

**SEC. 110. TRANSITIONAL GRANTS FOR OTHER AREAS.**

(a) IN GENERAL.—Part A of title XXVI of the Public Health Service Act (42 U.S.C. 300ff-11) is amended—

(1) by inserting after the part heading the following:

**“Subpart I—General Grant Provisions”;**

(2) by redesignating sections 2606 and 2607 as sections 2610 and 2610A, respectively; and

(3) by adding at the end the following:

**“Subpart II—Transitional Grants**

**“SEC. 2609. ESTABLISHMENT.**

“(a) ELIGIBLE AREAS.—

“(1) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, subject to subsection (b), make grants in accordance with this subpart for the purpose of assisting in the provision of



1 the services specified in section 2604 in any metro-  
2 politan area—

3 “(A) for which there has been reported to  
4 and confirmed by the Director of the Centers  
5 for Disease Control and Prevention a cumu-  
6 lative total of at least 1,000, but less than  
7 2,000, cases of acquired immune deficiency syn-  
8 drome for the most recent period of 5 calendar  
9 years for which such data are available; and

10 “(B) for which there has been reported to  
11 and confirmed by the Director of the Centers  
12 for Disease Control and Prevention a cumu-  
13 lative total of at least 500, but less than 1,000,  
14 cases of acquired immune deficiency syndrome  
15 for the most recent period of 5 calendar years  
16 for which such data are available.

17 “(2) ADDITIONAL ELIGIBLE AREAS.—With re-  
18 spect to fiscal year 2007, a metropolitan area that  
19 received funding under this part for fiscal year 2006  
20 but which does not meet the eligibility threshold de-  
21 scribed in paragraph (1)(A) for fiscal year 2007  
22 shall be deemed to be eligible under such paragraph  
23 (1)(A).

24 “(b) CONTINUED STATUS AS ELIGIBLE AREA.—Not-  
25 withstanding any other provision of this section, a metro-

1 politan area shall continue to be eligible to receive a grant  
 2 under this section until such area, for three consecutive  
 3 grant years, fails to meet the applicable requirement of  
 4 subparagraph (A) or (B) of subsection (a)(1) concerning  
 5 the number of living cases of AIDS over the most recent  
 6 5-year period.

7 **~~“SEC. 2609A. APPLICATION OF OTHER PROVISIONS.~~**

8 ~~“(a) ADMINISTRATION.—~~

9 ~~“(1) IN GENERAL.—~~The provisions of section  
 10 2602 shall apply to areas that receive a grant under  
 11 this subpart, except that the chief elected official  
 12 may elect not to comply with the provisions of sub-  
 13 section (b), so long as the official provides docu-  
 14 mentation to the Secretary that details the process  
 15 used to obtain community input (particularly from  
 16 those infected with HIV) for the design and imple-  
 17 mentation of activities related to such grant.

18 ~~“(2) EXCEPTION.—~~The exception provided for  
 19 in paragraph (1) shall not apply in fiscal years 2007  
 20 through 2009 to areas that receive funding under  
 21 this part.

22 ~~“(b) DISTRIBUTION.—~~The provisions of section 2603  
 23 shall apply for purposes of awarding grants under this  
 24 subpart, except that—

1           “(1) with respect to areas described in section  
2   2609(a)(1)(A)—

3           “(A) ~~66~~<sup>2</sup>/<sub>3</sub> percent of the amounts appro-  
4           priated under section 2609B(1) for each fiscal  
5           year shall be allocated to such areas as provided  
6           for in section 2603(a); and

7           “(B) ~~33~~<sup>1</sup>/<sub>3</sub> percent of the amounts appro-  
8           priated under section 2609B(1) for each fiscal  
9           year shall be allocated to such areas as provided  
10          for in section 2603(b); and

11          “(2) with respect to areas described in section  
12   2609(a)(1)(B), 100 percent of the amounts appro-  
13   priated under section 2609B(2) for each fiscal year  
14   shall be allocated to such areas as provided for in  
15   section 2603(a).

16          “(c) HOLD HARMLESS.—Paragraph (4) of section  
17   2603(a) shall not apply to an area for purposes of this  
18   subpart.

19          “(d) USE OF AMOUNTS.—Amounts provided to an  
20   area under a grant under this part shall be used by such  
21   entity as provided for in section 2604.

22          “(e) APPLICATION.—To be eligible to receive a grant  
23   under this subpart, an area shall submit to the Secretary  
24   an application that meets the requirements of section  
25   2605.

1       “(f) **TECHNICAL ASSISTANCE AND DEFINITIONS.—**

2       The provisions of sections 2606 and 2707 shall apply for  
 3       purposes of this subpart, except that with respect to the  
 4       definition of metropolitan area in section 2607(2), such  
 5       term shall be applied so that for purposes of determining  
 6       eligible areas, the Secretary shall use the boundaries of  
 7       a respective area that were used when the area involved  
 8       initially receive funding under this part.

9       **“SEC. 2609B. AUTHORIZATION OF APPROPRIATIONS.**

10       **“There are authorized to be appropriated to carry out**  
 11       **this subpart—**

12               “(1) with respect to areas described in section  
 13       2609(a)(1)(A), \$123,300,000 for fiscal year 2007,  
 14       \$127,900,000 for fiscal year 2008, \$132,600,000 for  
 15       fiscal year 2009, \$137,500,000 for fiscal year 2010,  
 16       and \$142,600,000 for fiscal year 2011; and

17               “(2) with respect to areas described in section  
 18       2609(a)(1)(B), \$5,000,000 for each of the fiscal  
 19       years 2007 through 2011.

20               **“Subpart III—General Provisions”.**

21       (b) **REPEAL.—**Section 2620 of the Public Health  
 22       Service Act (42 U.S.C. 300ff–30) is repealed.

1 **SEC. 111. AUTHORIZATION OF APPROPRIATIONS.**

2 Subpart I of part A of title XXVI of the Public  
3 Health Service Act (42 U.S.C. 300ff-11) is amended by  
4 adding at the end the following:

5 **“SEC. 2606. AUTHORIZATION OF APPROPRIATIONS.**

6 “For the purpose of carrying out this subpart, there  
7 are authorized to be appropriated \$418,600,000 for fiscal  
8 year 2007, \$434,100,000 for fiscal year 2008,  
9 \$450,100,000 for fiscal year 2009, \$466,800,000 for fis-  
10 cal year 2010, and \$484,100,000 for fiscal year 2011.”.

11 **TITLE II—CARE GRANTS**

12 **SEC. 201. LIVING CASES OF HIV/AIDS.**

13 (a) PRIORITY.—Section 2611(b)(1) of the Public  
14 Health Service Act (42 U.S.C. 300ff-21(b)(1)) is amend-  
15 ed—

16 (1) by striking “acquired immune deficiency  
17 syndrome” and inserting “HIV/AIDS”; and

18 (2) by striking “such syndrome” and inserting  
19 “HIV/AIDS”.

20 (b) APPLICATION.—Section 2617(d)(3) of the Public  
21 Health Service Act (42 U.S.C. 300ff-27(d)(3)) is amend-  
22 ed—

23 (1) in subparagraph (A), by striking “acquired  
24 immune deficiency syndrome” and inserting “HIV/  
25 AIDS”; and

1           (2) in subparagraph (C), by striking “acquired  
2       immune deficiency syndrome” and inserting “HIV/  
3       AIDS”.

4       (c) DISTRIBUTION OF FUNDS.—Section 2618(a) of  
5       the Public Health Service Act (42 U.S.C. 300ff-28(a)) is  
6       amended—

7           (1) in paragraph (1)(A)(i)—

8               (A) in subclause (I), by striking “cases of  
9       acquired immune deficiency syndrome, as deter-  
10      mined under paragraph (2)(D)” and inserting  
11      “living cases of AIDS (reported to and con-  
12      firmed by the Director of the Centers for Dis-  
13      ease Control and Prevention)”; and

14          (B) in subclause (II)—

15               (i) by striking “cases of acquired im-  
16      mune deficiency syndrome, as determined  
17      under paragraph (2)(D)” and inserting  
18      “living cases of AIDS (reported to and  
19      confirmed by the Director of the Centers  
20      for Disease Control and Prevention)”; and

21               (ii) by inserting “and” after the semi-  
22      colon; and

23          (2) in paragraph (2)—

24               (A) in subparagraph (B), by striking “esti-  
25      mated number of living cases of acquired im-

1           immune deficiency syndrome” and inserting  
2           “number of living cases of HIV/AIDS”;

3           (B) in subparagraph (C)—

4                 (i) by striking “estimated” each place  
5                 that such term appears; and

6                 (ii) by striking “acquired immune de-  
7                 ficiency syndrome” each place that such  
8                 appears and inserting “HIV/AIDS”; and

9           (C) by striking subparagraph (D) and in-  
10          serting the following:

11           “(F) LIVING CASES OF HIV/AIDS.—

12                 “(i) IN GENERAL.—Except as pro-  
13                 vided for in clause (ii) and (iii), the  
14                 amount determined in this subparagraph is  
15                 the number of living cases of HIV/AIDS  
16                 (reported to and confirmed by the Director  
17                 of the Centers for Disease Control and  
18                 Prevention) through December 31 of the  
19                 most recent calendar year involved.

20                 “(ii) FISCAL YEARS 2007 THROUGH  
21                 2010.—For each of fiscal years 2007  
22                 through 2010, the Secretary may use the  
23                 proxy number for the number of HIV cases  
24                 described in clause (iii) if—

25                 “(I) the State involved—

1           “(aa) is reporting, or the  
2           State will by October 1, 2006  
3           have submitted a transition plan  
4           for reporting, accurate and reli-  
5           able HIV cases to the Director of  
6           the Centers for Disease Control  
7           and Prevention; or

8           “(bb) not later than October  
9           1, 2006, make all necessary stat-  
10          utory changes to allow for the  
11          collection of HIV data certified  
12          by the Director of the Centers  
13          for Disease Control and Preven-  
14          tion;

15          “(H) the State involved will by  
16          April 1, 2008, begin reporting accu-  
17          rate and reliable HIV cases, as deter-  
18          mined by the Director of the Centers  
19          for Disease Control and Prevention;  
20          and

21          “(III) the Director of the Centers  
22          for Disease Control and Prevention  
23          has determined that such State does  
24          not have an established HIV surveil-  
25          lance system.



“~~(iii)~~ AMOUNT DETERMINED.—With respect to each of fiscal years 2007 through 2010, the amount determined under this subparagraph shall be the lesser of—

“(I) the product of 0.9 and the number of living AIDS cases in the area involved; or

“(H) an amount equal to 110 percent of the funding level for the previous fiscal year.”.

**SEC. 202. AIDS DRUG ASSISTANCE PROGRAM.**

(a) REQUIREMENT OF MINIMUM DRUG LIST.—Section 2616 of the Public Health Service Act (42 U.S.C. ~~300ff-26~~) is amended—

(1) in subsection (c), by striking paragraph (1) and inserting the following:

“(1) ensure that those treatments contained on the list of core AIDS Drug Assistance Program antiretroviral medications developed by the Secretary based on Public Health Service guidelines, are the minimum required treatments to be included under the program established under this section;” and

(2) in subsection (d), by adding at the end the following: “The Secretary, in consultation with the

1       Public Health Service, shall develop and maintain a  
 2       list of classes of core AIDS Drug Assistance Pro-  
 3       gram antiretroviral medications that shall be based  
 4       upon those medications included in the Department  
 5       of Health and Human Service’s Public Health Serv-  
 6       ice HIV/AIDS Clinical Practice Guidelines for use of  
 7       HIV/AIDS Drugs, drugs needed to manage symp-  
 8       toms associated with HIV infection.”.

9       (b) STATE REQUIREMENTS.—Subclauses (I) through  
 10    (HH) of section 2618(a)(2)(I)(ii) of the Public Health  
 11    Service Act (42 U.S.C. 300ff-28(a)(2)(I)(ii)(I)–(HH)) are  
 12    amended to read as follows:

13                               “(I) IN GENERAL.—From  
 14                               amounts made available under  
 15                               subclause (V), the Secretary shall  
 16                               award supplemental grants to  
 17                               States described in subclause (II)  
 18                               to enable such States to purchase  
 19                               and distribute to eligible individ-  
 20                               uals (as described in section  
 21                               2616(b)), pharmaceutical thera-  
 22                               peutics described under sections  
 23                               2616(a) and 2616(c).

24                               “(II) ELIGIBLE STATES.—  
 25                               For purposes of subclause (I), a

1 State shall be an eligible State if  
2 the State did not have unex-  
3 pended funds subject to realloca-  
4 tion under section 2618(d) and,  
5 in accordance with criteria estab-  
6 lished by the Secretary, dem-  
7 onstrates a severe need for a  
8 grant under this clause. In devel-  
9 oping such criteria, the Secretary  
10 shall consider eligibility stand-  
11 ards, formulary composition, the  
12 number of eligible individuals to  
13 whom a State is unable to pro-  
14 vide therapeutics described in  
15 section 2616(a), and an unantici-  
16 pated increase of eligible individ-  
17 uals with HIV/AIDS.

18 “(III) STATE REQUIREMENTS.—

19 The Secretary may not make a grant  
20 to a State under this clause unless the  
21 State agrees that the State will make  
22 available (directly or through dona-  
23 tions of public or private entities)  
24 non-Federal contributions toward the  
25 activities to be carried out under the

1 grant in an amount equal to \$1 for  
 2 each \$4 of Federal funds provided in  
 3 the grant, except that the Secretary  
 4 may waive this subclause if the State  
 5 has otherwise fully complied with sec-  
 6 tion 2617(d) with respect to the grant  
 7 year involved.”.

8 (e) INCREASE IN ADAP SET-ASIDE.—Section  
 9 2618(a)(2)(I)(ii)(V) of the Public Health Service Act (42  
 10 U.S.C. 300ff-28(a)(2)(I)(ii)(V)) is amended by striking  
 11 “3” and inserting “5”.

12 (d) DRUG REBATE PROGRAM.—Section 2616 of the  
 13 Public Health Service Act (42 U.S.C. 300ff-26) is amend-  
 14 ed by adding at the end the following:

15 “(f) DRUG REBATE PROGRAM.—A State shall ensure  
 16 that any drug rebates received on drugs purchased from  
 17 funds provided under this section are applied to activities  
 18 supported under this title, with a preference for activities  
 19 described under this section.”.

20 **SEC. 203. COORDINATION.**

21 Section 2617(b) of the Public Health Service Act (42  
 22 U.S.C. 300ff-27(b)) is amended—

23 (1) by redesignating paragraphs (4) through  
 24 (6) as paragraphs (5) through (7), respectively;

1           (2) by inserting after paragraph (3), the fol-  
2       lowing:

3           “(4) the designation of a lead State agency that  
4       shall—

5           “(A) administer all assistance received  
6       under this part;

7           “(B) conduct the needs assessment and  
8       prepare the State plan under paragraph (3);

9           “(C) prepare all applications for assistance  
10      under this part;

11          “(D) receive notices with respect to pro-  
12      grams under this title;

13          “(E) every 2 years, collect and submit to  
14      the Secretary all audits from grantees within  
15      the State, including audits regarding funds ex-  
16      pended in accordance with this part; and

17          “(F) carry out any other duties determined  
18      appropriate by the Secretary to facilitate the  
19      coordination of programs under this title.”;

20      (3) in paragraph (5) (as so redesignated)—

21          (A) in the matter preceding subparagraph  
22      (A), by striking “under this part” and inserting  
23      “under any provision of this title”;

24          (B) in subparagraph (E), by striking  
25      “and” at the end; and

1           (C) by inserting after subparagraph (F),  
2           the following:

3           “(G) includes key outcomes to be measured  
4           by all entities in the State receiving assistance  
5           under this title; and”.

6   **SEC. 204. DISTRIBUTION OF FUNDS.**

7           (a) **IN GENERAL.**—Section 2618(a)(2) of the Public  
8   Health Service Act (42 U.S.C. 300ff-28(a)(2)) is amend-  
9   ed—

10          (1) in subparagraph (A)—

11               (A) in clause (i), by striking “and (I)” and  
12               inserting “; (I), and (J)”; and

13               (B) in clause (ii)—

14                       (i) in subclause (I)—

15                               (I) by striking “0.8” and insert-  
16                               ing “0.75”; and

17                               (II) by striking “and” at the end;

18                               (ii) in subclause (II), by striking the  
19                               period and inserting “; and”; and

20                               (iii) by adding at the end the fol-  
21                               lowing:

22                                       “(III) the product of 0.05 and  
23                                       the ratio of the locality distribution  
24                                       factor (as determined under subpara-  
25                                       graph (D)) to the sum of the respec-

1                   tive State distribution factors for all  
2                   States and territories.”;

3           ~~(2)~~ in subparagraph (C)(ii), by striking “(as de-  
4           termined under part A)” and inserting “under sub-  
5           part I of part A and an eligible area under section  
6           2609(a)(1)(A)”;

7           ~~(3)~~ by inserting after subparagraph (C), the fol-  
8           lowing:

9                   “(D) LOCALITY DISTRIBUTION FACTOR.—  
10           For purposes of subparagraph (A)(ii)(III), the  
11           term ‘locality distribution factor’ means an  
12           amount equal to the sum of—

13                   “(i) the number of living cases of  
14                   HIV/AIDS in the State or territory in-  
15                   volved, as determined under subparagraph  
16                   (F); less

17                   “(ii) the number of living cases of  
18                   HIV/AIDS in such State or territory that  
19                   are within an eligible area (as determined  
20                   under subpart I of part A and section  
21                   2609(a)(1)(A)).”;

22           (4) by striking subparagraph (E) and inserting  
23           the following:

24                   “(E) SEVERITY OF NEED.—

1 “(i) FISCAL YEARS BEGINNING WITH  
2 2011.—If, by January 1, 2010, the Sec-  
3 retary notifies the appropriate committees  
4 of Congress that the Secretary has devel-  
5 oped a severity of need index, in accord-  
6 ance with clause (v), the provisions of sub-  
7 paragraphs (A) through (D) shall not  
8 apply for fiscal year 2011 or any fiscal  
9 year thereafter, and the Secretary shall use  
10 the severity of need index (as defined in  
11 clause (iv)) for the determination of the  
12 formula allocations, subject to the Con-  
13 gressional Review Act.

14 “(ii) SUBSEQUENT FISCAL YEARS.—  
15 If, on or before any January 1 that is sub-  
16 sequent to the date referred to in clause  
17 (i), the Secretary notifies the appropriate  
18 committees of Congress that the Secretary  
19 has developed a severity of need index, in  
20 accordance with clause (v), for each suc-  
21 ceeding fiscal year, the provisions of sub-  
22 paragraphs (A) through (D) shall not  
23 apply, and the Secretary shall use the se-  
24 verity of need index (as defined in clause  
25 (iv)) for the determination of the formula



1 allocations, subject to the Congressional  
2 Review Act.

3 “(iii) FISCAL YEAR 2013.—The Sec-  
4 retary shall notify the appropriate commit-  
5 tees of Congress that the Secretary has de-  
6 veloped a severity of need index by Janu-  
7 ary 1, 2012, and the provisions of subpara-  
8 graphs (A) through (D) shall not apply,  
9 and the Secretary shall use the severity of  
10 need index (as defined in clause (iv)) for  
11 the formula allocations for fiscal year  
12 2013, subject to the Congressional Review  
13 Act.

14 “(iv) DEFINITION OF SEVERITY OF  
15 NEED INDEX.—In this subparagraph, the  
16 term ‘severity of need index’ means the  
17 index of the relative needs of individuals  
18 within the State, as identified by a variety  
19 of different factors, and is a factor that is  
20 multiplied by the number of living HIV/  
21 AIDS cases in the State, providing dif-  
22 ferent weights to those cases based on  
23 their needs.

24 “(v) REQUIREMENTS FOR SECRE-  
25 TARIAL NOTIFICATION.—When the Sec-

1           retary notifies the appropriate committees  
2           of Congress that the Secretary has devel-  
3           oped a severity of need index, the Sec-  
4           retary shall provide the following:

5                   “(I) Methodology for and ration-  
6                   ale behind developing the severity of  
7                   need index, including information re-  
8                   lated to the field testing of the sever-  
9                   ity of need index.

10                   “(II) Expected changes in fund-  
11                   ing allocations, given the application  
12                   of the severity of need index and the  
13                   elimination of the provisions of sub-  
14                   paragraphs (A) through (D).

15                   “(III) Information regarding the  
16                   process by which the Secretary re-  
17                   ceived community input regarding the  
18                   application of the severity of need  
19                   index.

20                   “(IV) Timeline and process for  
21                   the implementation of the severity of  
22                   need index to ensure that it is applied  
23                   in the following fiscal year.

24                   “(vi) ~~ANNUAL REPORTS.~~—Not later  
25                   than 1 year after the date of enactment of

1 the Ryan White HIV/AIDS Treatment  
 2 Modernization Act, and annually thereafter  
 3 until the Secretary notifies Congress that  
 4 the Secretary has developed a severity of  
 5 need index in accordance with this sub-  
 6 paragraph, the Secretary shall prepare and  
 7 submit to the appropriate committees of  
 8 Congress a report—

9 “(I) that updates progress to-  
 10 ward having client level data;

11 “(II) that updates the progress  
 12 toward having a severity of need  
 13 index, including information related to  
 14 the methodology and process for ob-  
 15 taining community input; and

16 “(III) that, as applicable, states  
 17 whether the Secretary could develop a  
 18 severity of need index before fiscal  
 19 year 2010.”.

20 (5) by striking subparagraph (G), and inserting  
 21 the following:

22 “(G) UNEXPENDED FUNDS.—

23 “(i) IN GENERAL.—A State that has  
 24 unobligated funds for a fiscal year under a  
 25 grant under this part shall—

1                   “(I) return such funds to the  
 2                   Secretary to be applied as provided  
 3                   for in section 2620; or

4                   “(II) submit an application to  
 5                   the Secretary for the use of such  
 6                   funds in the succeeding fiscal year  
 7                   that includes a description of the  
 8                   manner in which the State intends to  
 9                   use such funds.

10                  “(ii) CARRYOVER.—With respect to  
 11                  an application received under clause (i)(II),  
 12                  the Secretary shall determine whether the  
 13                  State involved may carryover any unobli-  
 14                  gated funds for use under this part in the  
 15                  succeeding fiscal year or whether such  
 16                  amounts shall be returned to the Secretary  
 17                  for use under section 2620. Notice shall be  
 18                  provided to the area of such determination.

19                  “(iii) FAILURE TO EXPEND FUNDS.—  
 20                  Amounts carried over by a State under  
 21                  this subparagraph that are not expended in  
 22                  the succeeding fiscal year shall be returned  
 23                  to the Secretary for use under section  
 24                  2610.

1                   “(iv) CONSIDERATION IN MAKING  
 2                   GRANTS.—The Secretary may, in deter-  
 3                   mining the amount of a grant for a fiscal  
 4                   year under this paragraph, adjust the  
 5                   grant amount to reflect the amount of un-  
 6                   expended and unencumbered grant funds re-  
 7                   maining at the end of the fiscal year pre-  
 8                   ceding the year for which the grant deter-  
 9                   mination is to be made. The amount of  
 10                  any such unexpended funds shall be deter-  
 11                  mined using the financial status report of  
 12                  the grantee.”;

13               (6) by striking subparagraph (H); and

14               (7) in subparagraph (I)(ii), by striking sub-  
 15               clause (VI) and inserting the following:

16                               “(VI) INCREASES IN GRANT.—

17                                       “(aa) IN GENERAL.—For el-  
 18                                       igible areas receiving grants  
 19                                       under this section in fiscal year  
 20                                       2007, the Secretary shall in-  
 21                                       crease the amount of the grant  
 22                                       made pursuant to paragraph (2)  
 23                                       for the State to ensure that—

24   “(AA) for fiscal year  
 25   2007, the grant is not less

1 than 90 percent of the  
 2 amount of the grant made  
 3 for the State under section  
 4 2620 and section 2618(a)  
 5 for the base year;

6 “(BB) for fiscal year  
 7 2008, the grant is not less  
 8 than 85 percent of the  
 9 amount of such base year  
 10 grant; and

11 “(CC) for fiscal year  
 12 2009, the grant is not less  
 13 than 80 percent of the  
 14 amount of the base year  
 15 grant.

16 “(bb) BASE YEAR.—With re-  
 17 spect to grants made pursuant to  
 18 paragraph (2) for an State, the  
 19 base year shall be fiscal year  
 20 2006.”.

21 (b) REALLOCATION.—Section 2618(d) of the Public  
 22 Health Service Act (42 U.S.C. 300ff-28(d)) is amended  
 23 by striking “in proportion to the original grants made to  
 24 such States” and insert “reallocated pursuant to section  
 25 2620”.

1 **SEC. 205. CORE MEDICAL SERVICES.**

2 Section 2612 of the Public Health Service Act (42  
3 U.S.C. 300ff-22) is amended by adding at the end the  
4 following:

5 “(e) ~~REQUIRED FUNDING FOR CORE MEDICAL SERV-~~  
6 ~~ICES.—~~

7 “(1) ~~IN GENERAL.—~~Notwithstanding any other  
8 provision of law, a grantee under this part shall ex-  
9 pend not less than 75 percent of the funds received  
10 under the grant on core medical services, except that  
11 the Secretary shall waive the application of this sub-  
12 section with respect to a grantee if the Secretary de-  
13 termines that, within the service area of the grant-  
14 ee—

15 “(A) there is no waiting lists for AIDS  
16 Drug Assistance Program services; and

17 “(B) core medical services are available to  
18 all individuals infected with HIV/AIDS.

19 “(2) ~~CORE MEDICAL SERVICES.—~~For purposes  
20 of this subsection, the term ‘core medical services’  
21 with respect to an individual infected with HIV/  
22 AIDS (including the co-occurring diseases of the in-  
23 dividual) means the following services:

24 “(A) Outpatient and ambulatory health  
25 services.

1                   “(B) AIDS Drug Assistance Program  
2                   treatments.

3                   “(C) AIDS pharmaceutical assistance.

4                   “(D) Oral health care.

5                   “(E) Early intervention services.

6                   “(F) Health insurance premium and cost  
7                   sharing assistance for low-income individuals.

8                   “(G) Home health care.

9                   “(H) Hospice services.

10                  “(I) Home and community-based health  
11                  services as defined under section 2614(e), ex-  
12                  cept homemaker services.

13                  “(J) Mental health services.

14                  “(K) Substance abuse outpatient care.

15                  “(L) Medical case management, including  
16                  treatment adherence services.

17                  “(3) SUPPORT SERVICES.—Notwithstanding  
18                  any other provision of law, and subject to paragraph  
19                  (1), a grantee under this part, subject to the ap-  
20                  proval of the Secretary, may provide support services  
21                  (such as respite care for individuals with HIV/AIDS,  
22                  outreach services, medical transportation, nutritional  
23                  counseling, linguistic services, and referral for health  
24                  care and support services for individuals with HIV/  
25                  AIDS) needed to achieve medical outcomes which



1 are related to the medical outcomes for an individual  
 2 infected with HIV and approved by the Secretary.

3 ~~“(4) DEFINITION OF MEDICAL OUTCOMES.—In~~  
 4 ~~this subsection, the term ‘medical outcomes’ means~~  
 5 ~~those outcomes affecting the HIV-related clinical~~  
 6 ~~status of an individual with HIV/AIDS.~~

7 ~~“(5) UNEXPENDED FUNDS.—Any amounts re-~~  
 8 ~~quired to be expended for core medical services or~~  
 9 ~~support services under this subsection that remain~~  
 10 ~~unobligated at the end of the fiscal year in which the~~  
 11 ~~funds were awarded shall be remitted to the Sec-~~  
 12 ~~retary for reallocation under section 2620.”.~~

13 **SEC. 206. SUPPLEMENTAL GRANTS.**

14 ~~(a) IN GENERAL.—Section 2620 of the Public Health~~  
 15 ~~Service Act (42 U.S.C. 300ff-30) is amended to read as~~  
 16 ~~follows:~~

17 **~~“SEC. 2620. SUPPLEMENTAL GRANTS.~~**

18 ~~“(a) IN GENERAL.—The Secretary shall utilize~~  
 19 ~~amounts appropriated under section 2622 for a fiscal year~~  
 20 ~~and made available in accordance with subsection (e) to~~  
 21 ~~award grants to States whose applications under section~~  
 22 ~~2617 demonstrate a need in the State for supplemental~~  
 23 ~~financial assistance to combat the HIV epidemic and that~~  
 24 ~~have not had unexpended funds subject to the reallocation~~  
 25 ~~under section 2618(a)(2)(G).~~

1       “(b) DEMONSTRATED NEED.—In determining dem-  
2 onstrated need for purposes of subsection (a), the Sec-  
3 retary shall consider relevant factors that impact the need  
4 for supplemental financial assistance, including—

5               “(1) the unmet need for such services, as deter-  
6 mined under section 2602(b)(4) or other community  
7 input process as defined under section 2609A(a);

8               “(2) an increasing need for HIV/AIDS-related  
9 services, including relative rates of increase in the  
10 number of cases of HIV/AIDS;

11              “(3) the relative rates of increase in the number  
12 of cases of HIV/AIDS within new or emerging sub-  
13 populations;

14              “(4) the current prevalence of HIV/AIDS;

15              “(5) relevant factors related to the cost and  
16 complexity of delivering health care to individuals  
17 with HIV/AIDS in the eligible area;

18              “(6) the impact of co-morbid factors, including  
19 co-occurring infections, determined relevant by the  
20 Secretary;

21              “(7) the prevalence of homelessness;

22              “(8) the prevalence of individuals described  
23 under section 2602(b)(2)(M);

24              “(9) the relevant factors that limit access to  
25 health care, including geographic variation, adequacy

1 of health insurance coverage, and language barriers;  
 2 or

3 “(10) the impact of a precipitous decline in the  
 4 amount received under this subpart to an increase in  
 5 unmet need for such services.

6 “(c) AMOUNT AND TRIGGER OF FUNDING.—

7 “(1) AMOUNT.—For each fiscal year beginning  
 8 with the trigger year described in paragraph (2), the  
 9 Secretary shall make available for purposes of  
 10 awarding grants under this section,  $\frac{1}{3}$  of the sum  
 11 of—

12 “(A) the amount appropriated under sec-  
 13 tion 2622 for such fiscal year; less

14 “(B) the amount made available to carry  
 15 out section 2618(a)(2)(I) and section 2621 for  
 16 such fiscal year.

17 “(2) TRIGGER YEAR.—This section shall be ef-  
 18 fective only for fiscal years beginning in the first fis-  
 19 cal year in which the amount appropriated under  
 20 section 2621, excluding any amounts made available  
 21 to carry out section 2618(a)(2)(I) and section 2621  
 22 for such fiscal year, exceeds the amount appro-  
 23 priated under section 2677(b) (as such section ex-  
 24 isted on the day before the date of enactment of the  
 25 Ryan White HIV/AIDS Treatment Modernization

1 Act) for fiscal year 2006, excluding any amount  
 2 made available to carry out section 2618(a)(2)(I) for  
 3 fiscal year 2006.”.

4 (b) CONFORMING AMENDMENTS.—Section 2618 of  
 5 the Public Health Service Act (42 U.S.C. 300ff–28) is  
 6 amended—

7 (1) in subsection (a)(1), by striking “section  
 8 2677” and inserting “section 2622 and to the provi-  
 9 sions of section 2620”; and

10 (2) in subsection (c)(1), by inserting “, except  
 11 for grants awarded under section 2620,” after  
 12 “under this part”.

13 **SEC. 207. REDUCTION OF THE ADAP WAITING LIST.**

14 Subpart I of part B of title XXVI of the Public  
 15 Health Service Act (42 U.S.C. 300ff–21 et seq.) is amend-  
 16 ed by adding at the end the following:

17 **“SEC. 2621. REDUCTION OF THE ADAP WAITING LIST.**

18 “(a) IN GENERAL.—If the Secretary determines that  
 19 there is additional need for States to have funds to provide  
 20 eligible individuals (as described in section 2616(b)) ap-  
 21 propriate access to pharmaceutical therapies, the Sec-  
 22 retary may make supplemental grants to States described  
 23 in subsection (b) to enable such States to purchase and  
 24 distribute to eligible individuals pharmaceutical therapies  
 25 as described in sections 2616(a) and 2616(c).

1       “(b) ELIGIBLE STATES.—For purposes of subsection  
 2 (a), a State is an eligible State if the State did not have  
 3 unexpended funds subject to reallocation under section  
 4 2618(d), and, in accordance with criteria established by  
 5 the Secretary, demonstrates a need for a grant under such  
 6 subsection. In developing such criteria, the Secretary shall  
 7 consider eligibility standards, formulary composition, the  
 8 number of eligible individuals to whom the State is unable  
 9 to provide therapeutics described in section 2616(a), and  
 10 unanticipated increases in the number of eligible individ-  
 11 uals.

12       “(c) STATE REQUIREMENTS.—The Secretary may  
 13 not make a grant to a State under this section unless the  
 14 State involved agrees that the State will make available  
 15 (directly or through donations from public or private enti-  
 16 ties) non-Federal contributions toward the activities to be  
 17 carried out under the grant in an amount equal to \$1 for  
 18 each \$4 of Federal funds provided under the grant, except  
 19 that the Secretary may waive this subsection if the State  
 20 has otherwise fully complied with section 2617(d) with re-  
 21 spect to the grant year involved.

22       “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
 23 is authorized to be appropriated to carry out this section,  
 24 \$40,000,000 for fiscal year 2007.”.

1 **SEC. 208. NATIVE AMERICAN REPRESENTATION.**

2 Section 2617(b)(6) of the Public Health Service Act  
3 (~~42 U.S.C. 300ff-27(b)(5)~~), as so redesignated, is amend-  
4 ed by inserting “Native Americans within the State,” be-  
5 fore “representatives of grantees”.

6 **SEC. 209. PAYER OF LAST RESORT.**

7 Section 2617(b)(7)(F)(ii) of the Public Health Serv-  
8 ice Act (~~42 U.S.C. 300ff-27(b)(6)~~) is amended by inserting  
9 “(except for a program administered by or providing the  
10 services of the Indian Health Services)” before the semi-  
11 colon.

12 **SEC. 210. HEPATITIS.**

13 Section 2614(a)(3) of the Public Health Service Act  
14 (~~42 U.S.C. 300ff-24(a)(3)~~) is amended by inserting “, in-  
15 cluding speciality care (including vaccinations) for hepa-  
16 titis coinfection,” after “health services”.

17 **SEC. 211. AUTHORIZATION OF APPROPRIATIONS.**

18 Subpart I of part B of title XXVI of the Public  
19 Health Service Act (~~42 U.S.C. 300ff-21 et seq.~~), as  
20 amended by section 207, is further amended by adding  
21 at the end the following:

22 **“SEC. 2622. AUTHORIZATION OF APPROPRIATIONS.**

23 “For the purpose of carrying put this subpart, there  
24 are authorized to be appropriated \$1,190,400,000 for fis-  
25 cal year 2007, \$1,193,000,000 for fiscal year 2008,  
26 \$1,237,100,000 for fiscal year 2009, \$1,282,900,000 for

1 fiscal year 2010, and \$1,330,300,000 for fiscal year  
2 2011.”.

### 3 **TITLE III—EARLY** 4 **INTERVENTION SERVICES**

#### 5 **SEC. 301. CATEGORICAL GRANTS.**

6 (a) ESTABLISHMENT OF PROGRAM.—Section  
7 2651(b) of the Public Health Service Act (42 U.S.C.  
8 300ff-51(b)) is amended—

9 (1) in paragraph (2)(D), by striking “the dis-  
10 ease” and inserting “HIV/AIDS”;

11 (2) in paragraph (4)(B)—

12 (A) in clause (i), by striking “paragraphs  
13 (1)” and all that follows through “2652(a)”  
14 and inserting “subparagraphs (A), (D), (E),  
15 and (F) of section 2652(a)(1)”; and

16 (B) in clause (ii), by striking “paragraphs  
17 (3) and (4) of section 2652(a)” and inserting  
18 “subparagraphs (B) and (C) of section  
19 2652(a)(1)”; and

20 (3) in paragraph (5)(A), by striking “the dis-  
21 ease” each place that such appears and inserting  
22 “HIV/AIDS”.

23 (b) MINIMUM QUALIFICATION OF GRANTEEES.—Sec-  
24 tion 2652(a) of the Public Health Service Act (42 U.S.C.  
25 300ff-52(a)) is amended to read as follows:

1       ~~“(a) ELIGIBLE ENTITIES.—~~

2               ~~“(1) IN GENERAL.—The entities referred to in~~  
 3       ~~section 2651(a) are public entities and nonprofit pri-~~  
 4       ~~vate entities that are—~~

5               ~~“(A) federally-qualified health centers~~  
 6       ~~under section 1905(1)(2)(B) of the Social Secu-~~  
 7       ~~rity Act;~~

8               ~~“(B) grantees under section 1001 (regard-~~  
 9       ~~ing family planning) other than States;~~

10              ~~“(C) comprehensive hemophilia diagnostic~~  
 11       ~~and treatment centers;~~

12              ~~“(D) rural health clinics;~~

13              ~~“(E) health facilities operated by or pursu-~~  
 14       ~~ant to a contract with the Indian Health Serv-~~  
 15       ~~ice;~~

16              ~~“(F) nonprofit private entities that provide~~  
 17       ~~comprehensive primary care services to popu-~~  
 18       ~~lations at risk of HIV/AIDS.~~

19              ~~“(2) UNDERSERVED POPULATIONS.—Entities~~  
 20       ~~described in paragraph (1) shall serve underserved~~  
 21       ~~populations which may include minority populations~~  
 22       ~~and Native American populations; ex-offenders; indi-~~  
 23       ~~viduals co-infected with HIV and hepatitis B or C;~~  
 24       ~~low-income populations; inner city populations; and~~  
 25       ~~rural populations.”.~~



1       (c) PREFERENCES IN MAKING GRANTS.—Section  
 2 2653 of the Public Health Service Act (42 U.S.C. 300ff-  
 3 53) is amended—

4           (1) in subsection (b)(1)—

5               (A) in subparagraph (A), by striking “ac-  
 6               quired immune deficiency syndrome” and in-  
 7               serting “HIV/AIDS”; and

8               (B) in subparagraph (D), by inserting be-  
 9               fore the semicolon the following: “and the num-  
 10              ber of cases of individuals coinfectd with HIV/  
 11              AIDS and hepatitis B or C”; and

12           (2) in subsection (d)(2), by striking “special  
 13           consideration” and inserting “preference”.

14       (d) PLANNING AND DEVELOPMENT GRANTS.—Sec-  
 15       tion 2654(e) of the Public Health Service Act (42 U.S.C.  
 16       300ff-54(e)) is amended—

17           (1) in paragraph (1)—

18               (A) in subparagraph (A), by striking  
 19               “HIV”; and

20               (B) in subparagraph (B), by striking  
 21               “HIV” and inserting “HIV/AIDS”; and

22           (2) in paragraph (3), by striking “or under-  
 23           served communities” and inserting “areas or to un-  
 24           derserved populations”.

1       (e) ~~AUTHORIZATION OF APPROPRIATIONS.~~—Section  
 2 2655 of the Public Health Service Act (42 U.S.C. 300ff-  
 3 55) is amended by striking “such sums” and all that fol-  
 4 lows through “2005” and inserting “, \$218,600,000 for  
 5 fiscal year 2007, \$226,700,000 for fiscal year 2008,  
 6 \$235,100,000 for fiscal year 2009, \$234,800,000 for fis-  
 7 cal year 2010, and \$252,800,000 for fiscal year 2011”.

8 **SEC. 302. GENERAL PROVISIONS.**

9       (a) ~~COUNSELING SERVICES.~~—Section 2662(a) of the  
 10 Public Health Service Act (42 U.S.C. 300ff-62(a)) is  
 11 amended by striking “the disease” and inserting “HIV/  
 12 AIDS”.

13       (b) ~~APPLICABILITY OF CERTAIN REQUIREMENTS.~~—  
 14 Section 2663 of the Public Health Service Act (42 U.S.C.  
 15 300ff-63) is amended by striking “will, without” and all  
 16 that follows through “be carried” and inserting “with  
 17 funds appropriated through this Act will be carried”.

18       (c) ~~ADDITIONAL REQUIRED AGREEMENTS.~~—Section  
 19 2664(a) of the Public Health Service Act (42 U.S.C.  
 20 300ff-64(a)) is amended—

21               (1) in paragraph (1)—

22                       (A) in subparagraph (A), by striking  
 23 “and” at the end;

24                       (B) in subparagraph (B), by striking  
 25 “and” at the end; and

1                   (C) by adding at the end the following:

2                   “(C) information regarding how the ex-  
3                   pected expenditures of the grant are related to  
4                   the planning process for localities funded under  
5                   part A (including the planning process de-  
6                   scribed in section 2602) and for States funded  
7                   under part B (including the planning process  
8                   described in section 2617(b)); and

9                   “(D) a specification of the expected ex-  
10                  penditures and how those expenditures will im-  
11                  prove overall client outcomes, as described in  
12                  the State plan under section 2617(b) or  
13                  through additional outcome measures;”;

14               (2) in paragraph (2), by striking the period and  
15               inserting a semicolon; and

16               (3) by adding at the end the following:

17               “(3) the applicant agrees to provide additional  
18               documentation to the Secretary regarding the pro-  
19               cess used to obtain community input into the design  
20               and implementation of activities related to such  
21               grant; and

22               “(4) the applicant agrees to submit to the lead  
23               State agency under section 2617(b)(4) audits re-  
24               garding funds expended in accordance with this title  
25               and shall include necessary client level data to com-

1       plete unmet need calculations and Statewide coordi-  
 2       nated statements of need process.”.

3       **SEC. 303. CORE MEDICAL SERVICES.**

4       Subpart H of part C of title XXVI of the Public  
 5       Health Service Act (42 U.S.C. 300ff–61 et seq.) is amend-  
 6       ed by adding at the end the following:

7       **“SEC. 2688. REQUIRED FUNDING FOR CORE MEDICAL SERV-**  
 8               **ICES.**

9       “(a) IN GENERAL.—Notwithstanding any other pro-  
 10      vision of law, a grantee under this part shall expend not  
 11      less than 75 percent of the funds received under the grant  
 12      on core medical services, except that the Secretary shall  
 13      waive the application of this section with respect to a  
 14      grantee if the Secretary determines that, within the service  
 15      area of the grantee—

16               “(1) there is no waiting lists for AIDS Drug  
 17      Assistance Program services; and

18               “(2) core medical services are available to all  
 19      individuals infected with HIV/AIDS.

20      “(b) CORE MEDICAL SERVICES.—For purposes of  
 21      this section, the term ‘core medical services’ with respect  
 22      to an individual infected with HIV/AIDS (including the  
 23      co-occurring diseases of the individual) means the fol-  
 24      lowing services:

25               “(1) Outpatient and ambulatory health services.

1           ~~“(2) AIDS Drug Assistance Program treat-~~  
 2           ~~ments.~~

3           ~~“(3) AIDS pharmaceutical assistance.~~

4           ~~“(4) Oral health care.~~

5           ~~“(5) Early intervention services.~~

6           ~~“(6) Health insurance premium and cost shar-~~  
 7           ~~ing assistance for low-income individuals.~~

8           ~~“(7) Home health care.~~

9           ~~“(8) Hospice services.~~

10          ~~“(9) Home and community-based health serv-~~  
 11          ~~ices as defined under section 2614(e), except home-~~  
 12          ~~maker services.~~

13          ~~“(10) Mental health services.~~

14          ~~“(11) Substance abuse outpatient care.~~

15          ~~“(12) Medical case management, including~~  
 16          ~~treatment adherence services.~~

17          ~~“(e) SUPPORT SERVICES.—Notwithstanding any~~  
 18          ~~other provision of law, and subject to subsection (a), a~~  
 19          ~~grantee under this part, subject to the approval of the Sec-~~  
 20          ~~retary, may provide support services (such as respite care~~  
 21          ~~for individuals with HIV/AIDS, outreach services, medical~~  
 22          ~~transportation, nutritional counseling, linguistic services,~~  
 23          ~~and referral for health care and support services for indi-~~  
 24          ~~viduals with HIV/AIDS) needed to achieve medical out-~~  
 25          ~~comes which are related to the medical outcomes for an~~

1 individual infected with HIV and approved by the Sec-  
2 retary.

3 “(d) DEFINITION OF MEDICAL OUTCOMES.—In this  
4 section, the term ‘medical outcomes’ means those out-  
5 comes affecting the HIV-related clinical status of an indi-  
6 vidual with HIV/AIDS.

7 “(e) UNEXPENDED FUNDS.—Any amounts required  
8 to be expended for core medical services or support serv-  
9 ices under this section that remain unobligated at the end  
10 of the fiscal year in which the funds were awarded shall  
11 be remitted to the Secretary for reallocation under this  
12 section.”.

13 **SEC. 304. PAYER OF LAST RESORT.**

14 Section 2664(f)(1)(A) of the Public Health Service  
15 Act (42 U.S.C. 300ff–64(f)(1)(A)) is amended by insert-  
16 ing “(except for a program administered by or providing  
17 the services of the Indian Health Service)” before the  
18 semicolon.

19 **TITLE IV—WOMEN, INFANTS,**  
20 **CHILDREN, AND YOUTH**

21 **SEC. 401. WOMEN, INFANTS, CHILDREN, AND YOUTH.**

22 Part D of title XXVI of the Public Health Service  
23 Act (42 U.S.C. 300ff–71 et seq.) is amended to read as  
24 follows:

1     **“PART D—WOMEN, INFANTS, CHILDREN, AND**  
2                                   **YOUTH**

3     **“SEC. 2671. GRANTS FOR COORDINATED SERVICES AND AC-**  
4                                   **CESS TO RESEARCH FOR WOMEN, INFANTS,**  
5                                   **CHILDREN, AND YOUTH.**

6         “(a) IN GENERAL.—The Secretary, acting through  
7 the Administrator of the Health Resources and Services  
8 Administration, shall award grants to public and nonprofit  
9 private entities (including a health facility operated by or  
10 pursuant to a contract with the Indian Health Service)  
11 that provide family-centered care involving outpatient or  
12 ambulatory care (directly or through contracts) for  
13 women, infants, children, and youth with HIV/AIDS.

14         “(b) ADDITIONAL SERVICES FOR PATIENTS AND  
15 FAMILIES.—Funds provided under grants awarded under  
16 subsection (a) may be also be used for the following sup-  
17 port services:

18                 “(1) Family-centered care including case man-  
19                 agement.

20                 “(2) Referrals for additional services includ-  
21                 ing—

22                         “(A) referrals for inpatient hospital serv-  
23                         ices; treatment for substance abuse; and mental  
24                         health services; and

25                         “(B) referrals for other social and support  
26                         services, as appropriate.

1           ~~“(3) Additional services necessary to enable the~~  
 2           ~~patient and the family to participate in the program~~  
 3           ~~established by the applicant pursuant to such sub-~~  
 4           ~~section including services designed to recruit and re-~~  
 5           ~~tain youth with HIV.~~

6           ~~“(4) The provision of information and edu-~~  
 7           ~~cation on opportunities to participate in HIV/AIDS-~~  
 8           ~~related clinical research.~~

9           ~~“(e) COORDINATION WITH OTHER ENTITIES.—A~~  
 10          ~~grant awarded under subsection (a) may be made only if~~  
 11          ~~the applicant provides an agreement that includes the fol-~~  
 12          ~~lowing:~~

13           ~~“(1) The applicant will coordinate activities~~  
 14           ~~under the grant with other providers of health care~~  
 15           ~~services under this Act, and under title V of the So-~~  
 16           ~~cial Security Act.~~

17           ~~“(2) The applicant will participate in the state-~~  
 18           ~~wide coordinated statement of need under part B~~  
 19           ~~(where it has been initiated by the public health~~  
 20           ~~agency responsible for administering grants under~~  
 21           ~~part B) and in revisions of such statement.~~

22           ~~“(3) The applicant will every 2 years submit to~~  
 23           ~~the lead State agency under section 2617(b)(4) au-~~  
 24           ~~dits regarding funds expended in accordance with~~  
 25           ~~this title and shall include necessary client-level data~~



1 to complete unmet need calculations and Statewide  
 2 coordinated statements of need process.

3 ~~“(d) ADMINISTRATION.—~~

4 ~~“(1) APPLICATION.—A grant may only be~~  
 5 ~~awarded to an entity under subsection (a) if an ap-~~  
 6 ~~plication for the grant is submitted to the Secretary~~  
 7 ~~and the application is in such form, is made in such~~  
 8 ~~manner, and contains such agreements, assurances,~~  
 9 ~~and information as the Secretary determines to be~~  
 10 ~~necessary to carry out this section. Such application~~  
 11 ~~shall include the following:~~

12 ~~“(A) Information regarding how the ex-~~  
 13 ~~pected expenditures of the grant are related to~~  
 14 ~~the planning process for localities funded under~~  
 15 ~~part A (including the planning process outlined~~  
 16 ~~in section 2602) and for States funded under~~  
 17 ~~part B (including the planning process outlined~~  
 18 ~~in section 2617(b)).~~

19 ~~“(B) A specification of the expected ex-~~  
 20 ~~penditures and how those expenditures will im-~~  
 21 ~~prove overall patient outcomes, as outlined as~~  
 22 ~~part of the State plan (under section 2617(b))~~  
 23 ~~or through additional outcome measures.~~

24 ~~“(2) QUALITY MANAGEMENT PROGRAM.—A~~  
 25 ~~grantee under this section shall implement a quality~~

management program to assess the extent to which HIV health services provided to patients under the grant are consistent with the most recent Public Health Service guidelines for the treatment of HIV/AIDS and related opportunistic infection; and as applicable, to develop strategies for ensuring that such services are consistent with the guidelines for improvement in the access to and quality of HIV health services.

“(c) ANNUAL REVIEW OF PROGRAMS; EVALUATIONS.—

“(1) REVIEW REGARDING ACCESS TO AND PARTICIPATION IN PROGRAMS.—With respect to a grant under subsection (a) for an entity for a fiscal year, the Secretary shall, not later than 180 days after the end of the fiscal year, provide for the conduct and completion of a review of the operation during the year of the program carried out under such subsection by the entity. The purpose of such review shall be the development of recommendations, as appropriate, for improvements in the following:

“(A) Procedures used by the entity to allocate opportunities and services under subsection (a) among patients of the entity who are women, infants, children, or youth.

1           “(B) Other procedures or policies of the  
2           entity regarding the participation of such indi-  
3           viduals in such program.

4           “(2) EVALUATIONS.—The Secretary shall, di-  
5           rectly or through contracts with public and private  
6           entities, provide for evaluations of programs carried  
7           out pursuant to subsection (a).

8           “(f) CAP ON ADMINISTRATIVE EXPENSES.—A grant-  
9           ee may not use more than 10 percent of amounts received  
10          under a grant awarded under this section for administra-  
11          tive expenses.

12          “(g) TRAINING AND TECHNICAL ASSISTANCE.—  
13          From the amounts appropriated under subsection (i) for  
14          a fiscal year, the Secretary may use not more than 5 per-  
15          cent to provide, directly or through contracts with public  
16          and private entities (which may include grantees under  
17          subsection (a)), training and technical assistance to assist  
18          applicants and grantees under subsection (a) in complying  
19          with the requirements of this section.

20          “(h) DEFINITIONS.—In this section:

21                 “(1) ADMINISTRATIVE EXPENSES.—The term  
22                 ‘administrative expenses’ means funds that are to be  
23                 used by grantees for grant management and moni-  
24                 toring activities, including costs related to any staff  
25                 or activity unrelated to services or indirect costs.

1           “(2) INDIRECT COSTS.—The term ‘indirect  
2           costs’ means costs included in a Federally negotiated  
3           indirect rate.

4           “(3) SERVICES.—The term ‘services’ means—

5                   “(A) services that are provided to clients to  
6                   meet the goals and objectives of the program  
7                   under this section, including the provision of  
8                   professional, diagnostic, and therapeutic serv-  
9                   ices by a primary care provider or a referral to  
10                  and provision of specialty care; and

11                  “(B) services that sustain program activity  
12                  and contribute to or help improve services  
13                  under subparagraph (A).

14           “(i) AUTHORIZATION OF APPROPRIATIONS.—For the  
15           purpose of carrying out this section, there are authorized  
16           to be appropriated, \$71,800,000 for each of the fiscal  
17           years 2007 through 2011.”.

18   **SEC. 402. GAO REPORT.**

19           Not later than 24 months after the date of enactment  
20           of this Act, the Comptroller General of the Government  
21           Accountability Office shall conduct an evaluation, and sub-  
22           mit to Congress a report, concerning the funding provided  
23           for under part D of title XXVI of the Public Health Serv-  
24           ice Act to determine—

1           (1) how funds are used to provide the adminis-  
 2           trative expenses, indirect costs, and services, as de-  
 3           fined in section 2671(h) of such title, for individuals  
 4           with HIV/AIDS;

5           (2) how funds are used to provide the adminis-  
 6           trative expenses, indirect costs, and services, as de-  
 7           fined in section 2671(h) of such title, to family  
 8           members of women, infants, children, and youth in-  
 9           fected with HIV/AIDS;

10          (3) how funds are used to provide family-cen-  
 11          tered care involving outpatient or ambulatory care  
 12          authorized under section 2671(a) of such title;

13          (4) how funds are used to provide additional  
 14          services authorized under section 2671(b) of such  
 15          title; and

16          (5) how funds are used to help identify HIV-  
 17          positive pregnant women and connect them with care  
 18          that can improve their health and prevent perinatal  
 19          transmission.

## 20   **TITLE V—GENERAL PROVISIONS**

### 21   **SEC. 501. GENERAL PROVISIONS.**

22          Part E of title XXVI of the Public Health Service  
 23   Act (42 U.S.C. 300ff–80 et seq.) is amended to read as  
 24   follows:

**~~“PART E—GENERAL PROVISIONS~~**

**~~“SEC. 2681. COORDINATION.~~**

~~“(a) REQUIREMENT.—The Secretary shall ensure that the Health Resources and Services Administration, the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Services Administration, and the Centers for Medicare & Medicaid Services coordinate the planning, funding, and implementation of Federal HIV programs including the Minority AIDS Initiative under section 2693 to enhance the continuity of care and prevention services for individuals with HIV/AIDS or those at risk of such disease. The Secretary shall consult with other Federal agencies, including the Department of Veterans Affairs, as needed and utilize planning information submitted to such agencies by the States and entities eligible for assistance under this title.~~

~~“(b) REPORT.—The Secretary shall biennially prepare and submit to the appropriate committees of the Congress a report concerning the coordination efforts at the Federal, State, and local levels described in this section, including a description of Federal barriers to HIV program integration and a strategy for eliminating such barriers and enhancing the continuity of care and prevention services for individuals with HIV/AIDS or those at risk of such disease.~~

1       “(c) INTEGRATION BY STATE.—As a condition of re-  
 2       ceipt of funds under this title, a State shall provide assur-  
 3       ances to the Secretary that health support services funded  
 4       under this title will be integrated with other such services;  
 5       that programs will be coordinated with other available pro-  
 6       grams (including Medicaid); and that the continuity of  
 7       care and prevention services of individuals with HIV/AIDS  
 8       is enhanced.

9       “(d) INTEGRATION BY LOCAL OR PRIVATE ENTI-  
 10       TIES.—As a condition of receipt of funds under this title,  
 11       a local government or private nonprofit entity shall provide  
 12       assurances to the Secretary that services funded under  
 13       this title will be integrated with other such services; that  
 14       programs will be coordinated with other available pro-  
 15       grams (including Medicaid); and that the continuity of  
 16       care and prevention services of individuals with HIV is  
 17       enhanced.

18       **“SEC. 2682. AUDITS.**

19       “(a) IN GENERAL.—For fiscal year 2007, and each  
 20       subsequent fiscal year, the Secretary may reduce the  
 21       amounts of grants under this title to a State or political  
 22       subdivision of a State for a fiscal year if, with respect to  
 23       such grants for the second preceding fiscal year, the State  
 24       or subdivision fails to prepare audits in accordance with  
 25       the procedures of section 7502 of title 31, United States

1 Code. The Secretary shall annually select representative  
 2 samples of such audits, prepare summaries of the selected  
 3 audits, and submit the summaries to the Congress.

4 “(b) POSTING ON THE INTERNET.—All audits that  
 5 the Secretary receives from the State lead agency under  
 6 section 2617(b)(4) shall be posted on the Internet website  
 7 of the Health Resources and Services Administration.

8 **“SEC. 2683. PUBLIC HEALTH EMERGENCY.**

9 “(a) IN GENERAL.—In an emergency area and dur-  
 10 ing an emergency period, the Secretary shall have the au-  
 11 thority to waive such requirements of this title to improve  
 12 the health and safety of those receiving care under this  
 13 title and the general public, except that the Secretary may  
 14 not expend more than 5 percent of the funds allocated  
 15 under this title for sections 2620 and section 2603(b).

16 “(b) EMERGENCY AREA AND EMERGENCY PE-  
 17 RIOD.—In this section:

18 “(1) EMERGENCY AREA.—The term ‘emergency  
 19 area’ means a geographic area in which there ex-  
 20 ists—

21 “(A) an emergency or disaster declared by  
 22 the President pursuant to the National Emer-  
 23 gencies Act of the Robert T. Stafford Disaster  
 24 Relief and Emergency Assistance Act; and



1           “(B) a public health emergency declared  
2           by the Secretary pursuant to section 319.

3           ~~“(2) EMERGENCY PERIOD.—The term ‘emer-~~  
4           ~~gency period’ means the period in which there ex-~~  
5           ~~ists—~~

6           ~~“(A) an emergency or disaster declared by~~  
7           ~~the President pursuant to the National Emer-~~  
8           ~~gencies Act of the Robert T. Stafford Disaster~~  
9           ~~Relief and Emergency Assistance Act; and~~

10          “(B) a public health emergency declared  
11          by the Secretary pursuant to section 319.

12          ~~“(c) UNOBLIGATED FUNDS.—If funds under a grant~~  
13          ~~under this section are not expended for an emergency in~~  
14          ~~the fiscal year in which the emergency is declared, such~~  
15          ~~funds shall be returned to the Secretary for reallocation~~  
16          ~~under sections 2603(b) and 2620.~~

17          ~~**“SEC. 2684. PROHIBITION ON PROMOTION OF CERTAIN AC-**~~  
18          ~~**TIVITIES.**~~

19          ~~“None of the funds appropriated under this title shall~~  
20          ~~be used to fund AIDS programs, or to develop materials,~~  
21          ~~designed to promote or encourage, directly, intravenous~~  
22          ~~drug use or sexual activity, whether homosexual or hetero-~~  
23          ~~sexual. Funds authorized under this title may be used to~~  
24          ~~provide medical treatment and support services for indi-~~  
25          ~~viduals with HIV.~~

1 **~~“SEC. 2685. PRIVACY PROTECTIONS.~~**

2       ~~“The Secretary shall collect client-level data under~~  
3 ~~this title in a manner that is consistent with the unique~~  
4 ~~identifier as reported to the Director of the Centers for~~  
5 ~~Disease Control and Prevention as of the date of enact-~~  
6 ~~ment of this section.~~

7 **~~“SEC. 2686. GAO REPORT.~~**

8       ~~“The Comptroller General of the Government Ac-~~  
9 ~~countability Office shall biennially submit to the appro-~~  
10 ~~priate committees of Congress a report that includes a de-~~  
11 ~~scription of Federal, State, and local barriers to HIV pro-~~  
12 ~~gram integration, particularly for racial and ethnic minori-~~  
13 ~~ties, and recommendations for enhancing the continuity~~  
14 ~~of care and the provision of prevention services for individ-~~  
15 ~~uals with HIV/AIDS or those at risk for such disease.~~  
16 ~~Such report shall include a demonstration of the manner~~  
17 ~~in which funds under this subpart are being expended and~~  
18 ~~to what extent the services provided with such funds in-~~  
19 ~~crease access to prevention and care services for individ-~~  
20 ~~uals with HIV/AIDS and build stronger community link-~~  
21 ~~ages to address HIV prevention and care for racial and~~  
22 ~~ethnic minority communities.~~

23 **~~“SEC. 2687. DEFINITIONS.~~**

24       ~~“For purposes of this title:~~

1           “(1) COUNSELING.—The term ‘counseling’  
2       means such counseling provided by an individual  
3       trained to provide such counseling.

4           “(2) FAMILY-CENTERED CARE.—The term  
5       ‘family-centered care’ means the system of services  
6       described in this section that is targeted specifically  
7       to the special needs of infants, children, women and  
8       families. Family-centered care shall be based on a  
9       partnership between parents, professionals, and the  
10      community designed to ensure an integrated, coordi-  
11      nated, culturally sensitive, and community-based  
12      continuum of care for children, women, and families  
13      with HIV/AIDS.

14          “(3) FAMILIES WITH HIV/AIDS.—The term  
15      ‘families with HIV/AIDS’ means families in which  
16      one or more members have HIV/AIDS.

17          “(4) HIV.—The term ‘HIV’ means infection  
18      with the etiologic agent for acquired immune defi-  
19      ciency syndrome.

20          “(5) HIV/AIDS.—The term ‘HIV/AIDS’ means  
21      infection with the etiologic agent for acquired im-  
22      mune deficiency syndrome, and includes any condi-  
23      tion arising from such syndrome.

24          “(6) OFFICIAL POVERTY LINE.—The term ‘offi-  
25      cial poverty line’ means the poverty line established

1 by the Director of the Office of Management and  
2 Budget and revised by the Secretary in accordance  
3 with section 673(2) of the Omnibus Budget Rec-  
4 onciliation Act of 1981.

5 “(7) PERSON.—The term ‘person’ includes one  
6 or more individuals, governments (including the  
7 Federal Government and the governments of the  
8 States), governmental agencies, political subdivi-  
9 sions, labor unions, partnerships, associations, cor-  
10 porations, legal representatives, mutual companies,  
11 joint-stock companies, trusts, unincorporated organi-  
12 zations, receivers, trustees, and trustees in cases  
13 under title 11, United States Code.

14 “(8) STATE.—The term ‘State’, except as oth-  
15 erwise specifically provided, means each of the 50  
16 States, the District of Columbia, the Virgin Islands,  
17 Guam, American Samoa, the Commonwealth of the  
18 Northern Mariana Islands, Puerto Rico, and the Re-  
19 public of the Marshall Islands.

20 “(9) YOUTH WITH HIV.—The term ‘youth with  
21 HIV’ means individuals who are 13 through 24  
22 years old and who have HIV/AIDS.”.

1       **TITLE VI—DEMONSTRATION**  
 2               **AND TRAINING**

3   **SEC. 601. DEMONSTRATION AND TRAINING.**

4       Subpart I of part F of title XXVI of the Public  
 5   Health Service Act (42 U.S.C. 300ff-101 et seq.) is  
 6   amended to read as follows:

7       **“PART F—DEMONSTRATION AND TRAINING**

8   **“Subpart I—Special Projects of National Significance**

9   **“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFI-**  
 10               **CANCE.**

11       “(a) IN GENERAL.—Of the amount appropriated  
 12   under each of parts A, B, C, and D for each fiscal year,  
 13   the Secretary shall use the greater of \$20,000,000 or an  
 14   amount equal to 3 percent of such amount appropriated  
 15   under each such part, but not to exceed \$25,000,000, to  
 16   administer special projects of national significance to—

17               “(1) quickly respond to emerging needs of indi-  
 18   viduals receiving assistance under this title; and

19               “(2) to fund special programs to develop a  
 20   standard electronic client information data system to  
 21   improve the ability of grantees under this title to re-  
 22   port client-level data to the Secretary.

23       “(b) GRANTS.—The Secretary shall award grants  
 24   under subsection (a) to entities eligible for funding under  
 25   parts A, B, C, and D based on—

1           “(1)(A) whether the funding will promote ob-  
2           taining client level data as it relates to the creation  
3           of a severity of need index under section  
4           2618(a)(2)(E)(iii), including funds to facilitate the  
5           purchase and enhance the utilization of qualified  
6           health information technology systems;

7           “(B) demonstrated ability to create and main-  
8           tain a qualified health information technology sys-  
9           tem;

10          “(C) the potential replicability of the proposed  
11          activity in other similar localities or nationally;

12          “(D) the demonstrated reliability of the pro-  
13          posed qualified health information technology system  
14          across a variety of providers, geographic regions,  
15          and clients; and

16          “(E) the demonstrated ability to maintain a  
17          safe and secure qualified health information system;  
18          or

19          “(2) newly emerging needs of individuals receiv-  
20          ing assistance under this title.

21          “(e) COORDINATION.—The Secretary may not make  
22          a grant under this section unless the applicant submits  
23          evidence that the proposed program is consistent with the  
24          statewide coordinated statement of need, and the appli-

1 cant agrees to participate in the ongoing revision process  
 2 of such statement of need.

3 “(d) **PRIVACY PROTECTION.**—The Secretary may not  
 4 make a grant under this section for the development of  
 5 a qualified health information technology system unless  
 6 the applicant provides assurances to the Secretary that the  
 7 system will comply with the privacy regulations promul-  
 8 gated under section 264(e) of the Health Insurance Port-  
 9 ability and Accountability Act of 1996.

10 “(e) **REPLICATION.**—The Secretary shall make infor-  
 11 mation concerning successful models or programs devel-  
 12 oped under this part available to grantees under this title  
 13 for the purpose of coordination, replication, and integra-  
 14 tion. To facilitate efforts under this subsection, the Sec-  
 15 retary may provide for peer-based technical assistance  
 16 from grantees funded under this part.”.

17 **SEC. 602. AIDS EDUCATION AND TRAINING CENTERS.**

18 Section 2692(a)(2) of the Public Health Service Act  
 19 (42 U.S.C. 300ff-92(a)(2)) is amended—

20 (1) in subparagraph (A)—

21 (A) by inserting “and Native Americans”  
 22 after “minority individuals”; and

23 (B) by striking “and” at the end;

24 (2) in subparagraph (B), by striking the period  
 25 and inserting “; and”; and

1           ~~(3)~~ by adding at the end the following:

2                   “(C) train or result in the training of  
3           health professionals and allied health profes-  
4           sionals to provide treatment for hepatitis B or  
5           C co-infected individuals.”.

6   **SEC. 603. CODIFICATION OF MINORITY AIDS INITIATIVE**  
7                   **UNDER RYAN WHITE COMPREHENSIVE AIDS**  
8                   **RESOURCES EMERGENCY ACT OF 1990.**

9           Part F of title XXVI of the Public Health Service  
10 Act (~~42 U.S.C. 300ff-101 et seq.~~) is amended by adding  
11 at the end the following:

12                   **“Subpart II—Minority AIDS Initiative**

13   **“SEC. 2693. MINORITY AIDS INITIATIVE.**

14           “(a) IN GENERAL.—There is authorized to be appro-  
15 priated for the purpose of carrying out activities under  
16 this section to evaluate and address the disproportionate  
17 impact of HIV disease and disparities in access, treat-  
18 ment, care, and outcome on racial and ethnic minorities,  
19 including African Americans, Alaska Natives, Latinos,  
20 American Indians, Asian Americans, Native Hawaiians,  
21 and Pacific Islanders, ~~\$131,200,000~~ for fiscal year 2007,  
22 ~~\$135,100,000~~ for fiscal year 2008, ~~\$139,100,000~~ for fis-  
23 cal year 2009, ~~\$143,200,000~~ for fiscal year 2010, and  
24 ~~\$147,500,000~~ for fiscal year 2010.

25           “(b) CERTAIN ACTIVITIES.—



1           “(1) IN GENERAL.—In carrying out the purpose  
2 described in subsection (a), the Secretary shall pro-  
3 vide for—

4                   “(A) emergency assistance under part A;

5                   “(B) comprehensive care under part B;

6                   “(C) early intervention services under part

7           C;

8                   “(D) services through demonstration  
9 projects for HIV-related care; and

10                  “(E) activities through education and  
11 training centers under section 2692.

12           “(2) ALLOCATIONS AMONG ACTIVITIES.—Activi-  
13 ties under paragraph (1) shall be carried out by the  
14 Secretary in accordance with the following:

15                   “(A) Of the amount appropriated for each  
16 fiscal year under subsection (a), \$43,800,000  
17 for fiscal year 2007, \$45,400,000 for fiscal year  
18 2008, \$47,100,000 for fiscal year 2009,  
19 \$48,800,000 for fiscal year 2010, and  
20 \$50,700,000 for fiscal year 2010, shall be used  
21 for competitive, supplemental grants to improve  
22 HIV-related health outcomes to reduce existing  
23 racial and ethnic health disparities.

24                   “(B) Of the amount appropriated for each  
25 fiscal year under subsection (a), \$7,000,000 for

1       fiscal year 2007, \$7,300,000 for fiscal year  
2       2008, \$7,500,000 for fiscal year 2009,  
3       \$7,800,000 for fiscal year 2010, and  
4       \$8,100,000 for fiscal year 2010, shall be used  
5       for competitive, supplemental support edu-  
6       cational and outreach services to increase the  
7       number of eligible racial and ethnic minorities  
8       who have access to treatment through the pro-  
9       gram under section 2616 for therapeutics.

10       “(C) Of the amount appropriated for each  
11       fiscal year under subsection (a), \$53,400,000  
12       for fiscal year 2007, \$55,400,000 for fiscal year  
13       2008, \$57,400,000 for fiscal year 2009,  
14       \$59,500,000 for fiscal year 2010, and  
15       \$61,800,000 for fiscal year 2010, shall be used  
16       for planning grants, capacity-building grants,  
17       and services grants to health care providers who  
18       have a history of providing culturally and lin-  
19       guistically appropriate care and services to ra-  
20       cial and ethnic minorities.

21       “(D) Of the amount appropriated for each  
22       fiscal year under subsection (a), \$18,500,000  
23       for each of fiscal years 2007 through 2011 shall  
24       be used for sustaining and expanding efforts to  
25       deliver comprehensive, culturally and linguis-

1 tically appropriate research-based intervention  
 2 and care services for HIV disease to racial and  
 3 ethnic minority women, infants, children, and  
 4 youth.

5 “(E) Of the amount appropriated for each  
 6 fiscal year under subsection (a), \$8,500,000 for  
 7 each of fiscal years 2007 through 2011 shall be  
 8 used for increasing the training capacity of cen-  
 9 ters to expand the number of community-based  
 10 racial and ethnic minority health care profes-  
 11 sionals with treatment expertise and knowledge  
 12 about the most appropriate standards of HIV  
 13 disease-related treatments and medical care for  
 14 adults, adolescents, and children with HIV dis-  
 15 ease.

16 “(e) CONSISTENCY WITH PRIOR PROGRAM.—With  
 17 respect to the purpose described in subsection (a), the Sec-  
 18 retary shall carry out this section consistent with the ac-  
 19 tivities carried out under this title by the Secretary pursu-  
 20 ant to the Departments of Labor, Health and Human  
 21 Services, and Education, and Related Agencies Appropria-  
 22 tions Act, 2002 (Public Law 107–116).”.

23 **SEC. 604. AUTHORIZATION OF APPROPRIATIONS.**

24 Section 2692(e) of the Public Health Service Act (42  
 25 U.S.C. 300ff–92(e)) is amended to read as follows:

1 “(c) AUTHORIZATION OF APPROPRIATIONS.—

2 “(1) SCHOOLS; CENTERS.—For the purpose of  
3 awarding grants under subsection (a), there are au-  
4 thorized to be appropriated \$34,700,000 for each of  
5 fiscal years 2007 through 2011.

6 “(2) DENTAL SCHOOLS.—For the purpose of  
7 awarding grants under paragraphs (2) and (3) of  
8 subsection (b), there are authorized to be appro-  
9 priated \$13,000,000 for each of fiscal years 2007  
10 through 2011.”.

## 11 **TITLE VII—MISCELLANEOUS** 12 **PROVISIONS**

### 13 **SEC. 701. HEPATITIS.**

14 (a) PROVISION OF CERTAIN COUNSELING SERV-  
15 ICES.—Section 2662 of the Public Health Service Act (42  
16 U.S.C. 300ff-62) is amended—

17 (1) in subsection (a)—

18 (A) in paragraph (1), by inserting “; hepa-  
19 titis B, and hepatitis C” before the semicolon;

20 (B) in paragraph (2), by inserting “and  
21 testing for hepatitis B and hepatitis C” before  
22 the semicolon;

23 (C) in paragraph (6), by striking “and” at  
24 the end;

1           (D) in paragraph (7), by striking the pe-  
 2           riod and inserting “; and”; and

3           (E) by adding at the end the following:

4           “(8) if diagnosed with chronic hepatitis B or  
 5           hepatitis C co-infection, the potential of developing  
 6           hepatitis-related liver disease and its impact on HIV/  
 7           AIDS.”; and

8           (2) in subsection (e)(3)(C)(i), by inserting “,  
 9           hepatitis B, or hepatitis B” after “exposed to HIV”  
 10          each place that such appears.

11          (b) USE OF AMOUNTS.—Section 2667 of the Public  
 12          Health Service Act (42 U.S.C. 300ff–67) is amended—

13           (1) in paragraph (2), by striking “and” at the  
 14          end;

15           (2) in paragraph (3), by striking the period and  
 16          inserting “; and”; and

17           (3) by adding at the end the following:

18           “(4) shall provide information on the trans-  
 19          mission and prevention of hepatitis A, B, and C and  
 20          the location of entities that provide hepatitis A and  
 21          B vaccinations to individuals with HIV.”.

22   **SEC. 702. TECHNICAL PROVISIONS.**

23          Title XXVI of the Public Health Service Act (42  
 24          U.S.C. 300ff et seq.) is amended by striking “HIV dis-

1 ease” each place that such appears and inserting “HIV/  
2 AIDS”.

3 **SEC. 703. REPEAL.**

4 Section 2677 of the Public Health Service Act (42  
5 U.S.C. 300ff-77) is repealed.

6 **SECTION 1. SHORT TITLE.**

7 *This Act may be cited as the “Ryan White HIV/AIDS*  
8 *Treatment Modernization Act of 2006”.*

9 ***TITLE I—EMERGENCY RELIEF***  
10 ***FOR ELIGIBLE AREAS***

11 **SEC. 101. ESTABLISHMENT AND GENERAL ELIGIBILITY.**

12 (a) *IN GENERAL.*—Section 2601 of the Public Health  
13 Service Act (42 U.S.C. 300ff-11) is amended by striking  
14 subsections (b) through (d) and inserting the following:

15 “(b) *CONTINUED STATUS AS ELIGIBLE AREA.*—Not-  
16 withstanding any other provision of this section, a metro-  
17 politan area shall continue to be eligible to receive a grant  
18 under this part until such area, for three consecutive grant  
19 years, fails to meet the requirements of subsection (a).”.

20 (b) *DEFINITION.*—Section 2607(2) of the Public  
21 Health Service Act (42 U.S.C. 300ff-17(2)) is amended by  
22 adding at the end the following: “For purposes of deter-  
23 mining eligibility under this part, the boundaries of each  
24 metropolitan area shall be the boundaries that were in effect  
25 for each such area for fiscal year 1994.”.

1 **SEC. 102. LIVING CASES OF HIV/AIDS.**

2       (a) *IN GENERAL.*—Section 2601(a) of the Public  
3 Health Service Act (42 U.S.C. 300ff–11(a)) is amended by  
4 striking “for which there” and all that follows through  
5 “available” and inserting “for which there is reported to  
6 and confirmed by the Director of the Centers for Disease  
7 Control and Prevention a cumulative total of more than  
8 2,000 cases of AIDS for the most recent period of 5 calendar  
9 years for which such data are available”.

10       (b) *DISTRIBUTION BASED ON LIVING CASES OF HIV/*  
11 *AIDS.*—Section 2603(a)(3) of the Public Health Service  
12 Act (42 U.S.C. 300ff–13(a)(3)) is amended—

13               (1) in subparagraph (B), by striking “cases of  
14 acquired immune deficiency syndrome” and inserting  
15 “cases of HIV/AIDS (reported to and confirmed by  
16 the Director of the Centers for Disease Control and  
17 Prevention)”;

18               (2) by striking subparagraphs (C) and (D) and  
19 inserting the following:

20                       “(C) *LIVING CASES OF HIV/AIDS.*—

21                               “(i) *IN GENERAL.*—Except as provided  
22 for in clauses (ii) and (iii), the amount de-  
23 termined in this subparagraph is the num-  
24 ber of living cases of HIV/AIDS (reported to  
25 and confirmed by the Director of the Cen-  
26 ters for Disease Control and Prevention)

1           *through December 31 of the most recent cal-*  
2           *endar year.*

3           “(ii) *FISCAL YEARS 2007 THROUGH*  
4           *2010.—For each of fiscal years 2007 through*  
5           *2010, the Secretary may use the proxy*  
6           *number for the number of HIV cases de-*  
7           *scribed in clause (iii) if—*

8                     *“(I) the State involved—*

9                             *“(aa) is reporting, or the*  
10                            *State will by October 1, 2006 have*  
11                            *submitted a transition plan for*  
12                            *reporting, accurate and reliable*  
13                            *HIV cases to the Director of the*  
14                            *Centers for Disease Control and*  
15                            *Prevention; or*

16                            *“(bb) not later than October*  
17                            *1, 2006, make all necessary statu-*  
18                            *tory changes to allow for the col-*  
19                            *lection of HIV data certified by*  
20                            *the Director of the Centers for*  
21                            *Disease Control and Prevention;*

22                            *“(II) the State involved will by*  
23                            *April 1, 2008, begin reporting accurate*  
24                            *and reliable HIV cases, as determined*



1 *by the Director of the Centers for Dis-*  
 2 *ease Control and Prevention; and*

3 *“(III) the Director of the Centers*  
 4 *for Disease Control and Prevention has*  
 5 *determined that such State does not*  
 6 *have an established HIV surveillance*  
 7 *system.*

8 *“(iii) AMOUNT DETERMINED.—With*  
 9 *respect to each of fiscal years 2007 through*  
 10 *2010, the amount determined under this*  
 11 *subparagraph shall be the lesser of—*

12 *“(I) the product of 0.9 and the*  
 13 *number of living AIDS cases in the*  
 14 *area involved; or*

15 *“(II) an amount equal to 110 per-*  
 16 *cent of the funding level for the pre-*  
 17 *vious fiscal year, taking into account*  
 18 *the shift of the formula pool from 0.5*  
 19 *to 0.67 in fiscal year 2006.”; and*

20 *(3) by redesignating subparagraph (E) as sub-*  
 21 *paragraph (D).*

22 *(c) APPLICATION.—Section 2604(b)(4)(A) of the Public*  
 23 *Health Service Act (42 U.S.C. 300ff–14(b)(4)(A)) is amend-*  
 24 *ed—*

1           (1) by striking “acquired immune deficiency  
2       syndrome” and inserting “HIV/AIDS”; and

3           (2) by striking “such syndrome” and inserting  
4       “HIV/AIDS”.

5       (d) *COORDINATION*.—Section 2605(b) of the Public  
6       Health Service Act (42 U.S.C. 300ff–15(b)) is amended—

7           (1) in paragraph (3), by striking “and” at the  
8       end;

9           (2) in paragraph (4), by striking the period and  
10       inserting a semicolon; and

11          (3) by adding at the end the following:

12           “(5) the manner in which the expected expendi-  
13       tures under the grant are related to the planning  
14       process for States that receive funding under part B  
15       (including the planning process described in section  
16       2617(b)); and

17           “(6) the expected expenditures under the grant  
18       and how those expenditures will improve overall cli-  
19       ent outcomes, as described under the State plan under  
20       section 2617(b), or through additional outcomes meas-  
21       ures.”.

22       **SEC. 103. TYPE AND DISTRIBUTION OF GRANTS.**

23       (a) *DISTRIBUTION OF FUNDS*.—Section 2603(a)(2) of  
24       the Public Health Service Act (42 U.S.C. 300ff–13(a)(2))

1 *is amended by striking “50 percent” and inserting “66<sup>2</sup>/<sub>3</sub>*  
 2 *percent”.*

3       **(b) EMERGENCY GRANTS.**—*Section 2603(a)(3)(E) of*  
 4 *the Public Health Service Act (42 U.S.C. 300ff–*  
 5 *13(a)(3)(E)) is amended to read as follows:*

6               **“(E) UNEXPENDED FUNDS.**—

7                       **“(i) IN GENERAL.**—*An eligible area*  
 8 *that has unobligated funds for a fiscal year*  
 9 *under a grant under this part shall—*

10                               **“(I) return such funds to the Sec-**  
 11 *retary to be applied as provided for in*  
 12 *subsection (b); or*

13                               **“(II) submit an application to the**  
 14 *Secretary for the use of such funds in*  
 15 *the succeeding fiscal year that includes*  
 16 *a description of the manner in which*  
 17 *the area intends to use such funds.*

18                               **“(ii) CARRYOVER.**—*With respect to an*  
 19 *application received under clause (i)(II),*  
 20 *the Secretary shall determine whether the*  
 21 *area involved may carryover any unobli-*  
 22 *gated funds for use under this part in the*  
 23 *succeeding fiscal year or whether such*  
 24 *amounts shall be returned to the Secretary*

1           *for use under subsection (b). Notice shall be*  
 2           *provided to the area of such determination.*

3           “(iii) *FAILURE TO EXPEND FUNDS.—*  
 4           *Amounts carried over by an eligible area*  
 5           *under this subparagraph that are not ex-*  
 6           *pended in the succeeding fiscal year shall be*  
 7           *returned to the Secretary for use under sub-*  
 8           *section (b).*

9           “(iv) *CONSIDERATION IN MAKING*  
 10           *GRANTS.—The Secretary may, in deter-*  
 11           *mining the amount of a grant for a fiscal*  
 12           *year under this paragraph, adjust the grant*  
 13           *amount to reflect the amount of unexpended*  
 14           *and uncanceled grant funds remaining at*  
 15           *the end of the fiscal year preceding the year*  
 16           *for which the grant determination is to be*  
 17           *made. The amount of any such unexpended*  
 18           *funds shall be determined using the finan-*  
 19           *cial status report of the grantee.”.*

20           (c) *HOLD HARMLESS.—Section 2603(a)(4) of the Pub-*  
 21           *lic Health Service Act (42 U.S.C. 300ff-13(a)(4)) is amend-*  
 22           *ed to read as follows:*

23           “(4) *INCREASES IN GRANT.—*

24           “(A) *IN GENERAL.—For eligible areas re-*  
 25           *ceiving grants under this section in fiscal year*

1           2007, the Secretary shall increase the amount of  
 2           the grant made pursuant to paragraph (2) for  
 3           the area to ensure that—

4                   “(i) for fiscal year 2007, the grant is  
 5                   not less than 90 percent of the amount of  
 6                   the grant made for the eligible area pursu-  
 7                   ant to such paragraph for the base year;

8                   “(ii) for fiscal year 2008, the grant is  
 9                   not less than 85 percent of the amount of  
 10                  such base year grant; and

11                  “(iii) for fiscal year 2009, the grant is  
 12                  not less than 80 percent of the amount of  
 13                  the base year grant.

14                  “(B) *BASE YEAR*.—With respect to grants  
 15                  made pursuant to paragraph (2) for an eligible  
 16                  area, the base year shall be fiscal year 2006.”.

17 **SEC. 104. CORE MEDICAL SERVICES.**

18           Section 2604 of the Public Health Service Act (42  
 19           U.S.C. 300ff–14) is amended by adding at the end the fol-  
 20           lowing:

21                  “(h) *REQUIRED FUNDING FOR CORE MEDICAL SERV-*  
 22                  *ICES*.—

23                   “(1) *IN GENERAL*.—Notwithstanding any other  
 24                   provision of law, a grantee under this part shall ex-  
 25                   pend not less than 75 percent of the funds received

1        *under the grant on core medical services, except that*  
 2        *the Secretary shall waive the application of this sub-*  
 3        *section with respect to a grantee if the Secretary de-*  
 4        *termines that, within the service area of the grantee—*

5                *“(A) there is no waiting lists for AIDS*  
 6                *Drug Assistance Program services; and*

7                *“(B) core medical services are available to*  
 8                *all individuals infected with HIV/AIDS.*

9                *“(2) CORE MEDICAL SERVICES.—For purposes of*  
 10        *this subsection, the term ‘core medical services’ with*  
 11        *respect to an individual infected with HIV/AIDS (in-*  
 12        *cluding the co-occurring diseases of the individual)*  
 13        *means the following services:*

14                *“(A) Outpatient and ambulatory health*  
 15                *services.*

16                *“(B) AIDS Drug Assistance Program treat-*  
 17                *ments.*

18                *“(C) AIDS pharmaceutical assistance.*

19                *“(D) Oral health care.*

20                *“(E) Early intervention services.*

21                *“(F) Health insurance premium and cost*  
 22                *sharing assistance for low-income individuals.*

23                *“(G) Home health care.*

24                *“(H) Hospice services.*

1           “(I) *Home and community-based health*  
 2           *services as defined under section 2614(c), except*  
 3           *homemaker services.*

4           “(J) *Mental health services.*

5           “(K) *Substance abuse outpatient care.*

6           “(L) *Medical case management, including*  
 7           *treatment adherence services.*

8           “(3) *SUPPORT SERVICES.—Notwithstanding any*  
 9           *other provision of law, and subject to paragraph (1),*  
 10          *a grantee under this part, subject to the approval of*  
 11          *the Secretary, may provide support services (such as*  
 12          *respite care for individuals with HIV/AIDS, outreach*  
 13          *services, medical transportation, nutritional coun-*  
 14          *seling, linguistic services, and referral for health care*  
 15          *and support services for individuals with HIV/AIDS)*  
 16          *needed to achieve medical outcomes which are related*  
 17          *to the medical outcomes for an individual infected*  
 18          *with HIV and approved by the Secretary.*

19          “(4) *DEFINITION OF MEDICAL OUTCOMES.—In*  
 20          *this subsection, the term ‘medical outcomes’ means*  
 21          *those outcomes affecting the HIV-related clinical sta-*  
 22          *tus of an individual with HIV/AIDS.*

23          “(5) *UNEXPENDED FUNDS.—Any amounts re-*  
 24          *quired to be expended for core medical services or sup-*  
 25          *port services under this subsection that remain unob-*

1        *ligated at the end of the fiscal year in which the funds*  
 2        *were awarded shall be remitted to the Secretary for*  
 3        *reallocation under section 2603(b).”.*

4    **SEC. 105. SUPPLEMENTAL GRANTS.**

5        *Section 2603(b) of the Public Health Service Act (42*  
 6    *U.S.C. 300ff-13(b)) is amended—*

7            *(1) by striking “severe need” each place that*  
 8        *such appears and inserting “demonstrated need”;*

9            *(2) in paragraph (1)—*

10            *(A) in the matter preceding subparagraph*  
 11        *(A), by striking “Not later than” and all that*  
 12        *follows through “the Secretary shall” and insert*  
 13        *“The Secretary shall”;*

14            *(B) by striking subparagraph (F) and in-*  
 15        *serting the following:*

16            *“(F) demonstrate the inclusiveness of af-*  
 17        *ected communities and individuals with HIV/*  
 18        *AIDS;”;*

19            *(C) in subparagraph (G), by striking the*  
 20        *period and inserting “; and”; and*

21            *(D) by adding at the end the following:*

22            *“(H) demonstrate the ability of the appli-*  
 23        *cant to expend funds efficiently by not having*  
 24        *any unexpended funds reallocated under section*  
 25        *2603(a)(3)(E).”;*



1           (3) in paragraph (2)—

2                   (A) by striking subparagraph (B) and in-  
3           serting the following:

4                   “(B) *DEMONSTRATED NEED.*—In deter-  
5           mining demonstrated need for purposes of sub-  
6           paragraph (A), the Secretary shall consider rel-  
7           evant factors that impact the need for supple-  
8           mental financial assistance, including—

9                   “(i) the unmet need for such services,  
10           as determined under section 2602(b)(4) or  
11           other community input process as defined  
12           under section 2609A(a);

13                   “(ii) an increasing need for HIV/  
14           AIDS-related services, including relative  
15           rates of increase in the number of cases of  
16           HIV/AIDS;

17                   “(iii) the relative rates of increase in  
18           the number of cases of HIV/AIDS within  
19           new or emerging subpopulations;

20                   “(iv) the current prevalence of HIV/  
21           AIDS;

22                   “(v) relevant factors related to the cost  
23           and complexity of delivering health care to  
24           individuals with HIV/AIDS in the eligible  
25           area;

1                   “(vi) the impact of co-morbid factors,  
2                   including co-occurring infections, deter-  
3                   mined relevant by the Secretary;

4                   “(vii) the prevalence of homelessness;

5                   “(viii) the prevalence of individuals  
6                   described under section 2602(b)(2)(M);

7                   “(ix) the relevant factors that limit ac-  
8                   cess to health care, including geographic  
9                   variation, adequacy of health insurance cov-  
10                  erage, and language barriers; or

11                  “(x) the impact of a precipitous decline  
12                  in the amount received under this subpart  
13                  to an increase in unmet need for such serv-  
14                  ices.”; and

15                  (B) by striking subparagraphs (C) and (D).

16 **SEC. 106. ADMINISTRATIVE COSTS.**

17                  Section 2604(f) of the Public Health Service Act (42  
18                  U.S.C. 300ff–14(f)) is amended—

19                  (1) in paragraph (1), by striking “5 percent”  
20                  and inserting “10 percent”; and

21                  (2) in paragraph (2)(B), by inserting “the ac-  
22                  tivities carried out by HIV health services planning  
23                  council as established under section 2602(b),” after  
24                  “including”.

1 **SEC. 107. AUDITS.**

2 *Section 2605(a) of the Public Health Service Act (42*  
 3 *U.S.C. 300ff-15(a)) is amended—*

4 *(1) in paragraph (8), by striking “and” at the*  
 5 *end;*

6 *(2) in paragraph (9), by striking the period and*  
 7 *inserting “; and”; and*

8 *(3) by adding at the end the following:*

9 *“(10) that the chief elected official will submit to*  
 10 *the lead State agency under section 2617(b)(4), audits*  
 11 *regarding funds expended in accordance with this*  
 12 *part every 2 years and shall include necessary client-*  
 13 *based data to compile unmet need calculations and*  
 14 *Statewide coordinated statements of need process.”.*

15 **SEC. 108. PLANNING COUNCIL REPRESENTATION.**

16 *Section 2602(b)(2)(G) of the Public Health Service Act*  
 17 *(42 U.S.C. 300ff-12(b)(2)(G)) is amended by inserting “,*  
 18 *Native Americans, individuals co-infected with hepatitis B*  
 19 *or C” after “disease”.*

20 **SEC. 109. PAYER OF LAST RESORT.**

21 *Section 2605(a)(6)(A) of the Public Health Service Act*  
 22 *(42 U.S.C. 300ff-15(a)(6)(A)) is amended by inserting*  
 23 *“(except for a program administered by or providing the*  
 24 *services of the Indian Health Service)” before the semicolon.*

1 **SEC. 110. TRANSITIONAL GRANTS FOR OTHER AREAS.**

2 (a) *IN GENERAL.*—Part A of title XXVI of the Public  
3 Health Service Act (42 U.S.C. 300ff–11) is amended—

4 (1) by inserting after the part heading the fol-  
5 lowing:

6 **“Subpart I—General Grant Provisions”;**

7 (2) by redesignating sections 2606 and 2607 as  
8 sections 2610 and 2610A, respectively; and

9 (3) by adding at the end the following:

10 **“Subpart II—Transitional Grants**

11 **“SEC. 2609. ESTABLISHMENT.**

12 “(a) *ELIGIBLE AREAS.*—

13 “(1) *IN GENERAL.*—The Secretary, acting  
14 through the Administrator of the Health Resources  
15 and Services Administration, shall, subject to sub-  
16 section (b), make grants in accordance with this sub-  
17 part for the purpose of assisting in the provision of  
18 the services specified in section 2604 in any metro-  
19 politan area—

20 “(A) for which there has been reported to  
21 and confirmed by the Director of the Centers for  
22 Disease Control and Prevention a cumulative  
23 total of at least 1,000, but less than 2,000, cases  
24 of acquired immune deficiency syndrome for the  
25 most recent period of 5 calendar years for which  
26 such data are available; and

1           “(B) for which there has been reported to  
 2           and confirmed by the Director of the Centers for  
 3           Disease Control and Prevention a cumulative  
 4           total of at least 500, but less than 1,000, cases  
 5           of acquired immune deficiency syndrome for the  
 6           most recent period of 5 calendar years for which  
 7           such data are available.

8           “(2) *ADDITIONAL ELIGIBLE AREAS.*—With re-  
 9           spect to fiscal year 2007, a metropolitan area that re-  
 10          ceived funding under this part for fiscal year 2006  
 11          but which does not meet the eligibility threshold de-  
 12          scribed in paragraph (1)(A) for fiscal year 2007 shall  
 13          be deemed to be eligible under such paragraph (1)(A).

14          “(b) *CONTINUED STATUS AS ELIGIBLE AREA.*—Not-  
 15          withstanding any other provision of this section, a metro-  
 16          politan area shall continue to be eligible to receive a grant  
 17          under this section until such area, for three consecutive  
 18          grant years, fails to meet the applicable requirement of sub-  
 19          paragraph (A) or (B) of subsection (a)(1) concerning the  
 20          number of living cases of AIDS over the most recent 5-year  
 21          period.

22       **“SEC. 2609A. APPLICATION OF OTHER PROVISIONS.**

23           “(a) *ADMINISTRATION.*—

24           “(1) *IN GENERAL.*—The provisions of section  
 25          2602 shall apply to areas that receive a grant under

1        *this subpart, except that the chief elected official may*  
 2        *elect not to comply with the provisions of subsection*  
 3        *(b), so long as the official provides documentation to*  
 4        *the Secretary that details the process used to obtain*  
 5        *community input (particularly from those inflected*  
 6        *with HIV) for the design and implementation of ac-*  
 7        *tivities related to such grant.*

8                *“(2) EXCEPTION.—The exception provided for in*  
 9        *paragraph (1) shall not apply in fiscal years 2007*  
 10        *through 2009 to areas that receive funding under this*  
 11        *part.*

12                *“(b) DISTRIBUTION.—The provisions of section 2603*  
 13        *shall apply for purposes of awarding grants under this sub-*  
 14        *part, except that—*

15                *“(1) with respect to areas described in section*  
 16        *2609(a)(1)(A)—*

17                        *“(A) 66<sup>2</sup>/<sub>3</sub> percent of the amounts appro-*  
 18        *priated under section 2609B(1) for each fiscal*  
 19        *year shall be allocated to such areas as provided*  
 20        *for in section 2603(a); and*

21                        *“(B) 33<sup>1</sup>/<sub>3</sub> percent of the amounts appro-*  
 22        *priated under section 2609B(1) for each fiscal*  
 23        *year shall be allocated to such areas as provided*  
 24        *for in section 2603(b); and*

1           “(2) *with respect to areas described in section*  
 2           2609(a)(1)(B), 100 percent of the amounts appro-  
 3           priated under section 2609B(2) for each fiscal year  
 4           shall be allocated to such areas as provided for in sec-  
 5           tion 2603(a).

6           “(c) *HOLD HARMLESS.—Paragraph (4) of section*  
 7           2603(a) shall not apply to an area for purposes of this sub-  
 8           part.

9           “(d) *USE OF AMOUNTS.—Amounts provided to an*  
 10          area under a grant under this part shall be used by such  
 11          entity as provided for in section 2604.

12          “(e) *APPLICATION.—To be eligible to receive a grant*  
 13          under this subpart, an area shall submit to the Secretary  
 14          an application that meets the requirements of section 2605.

15          “(f) *TECHNICAL ASSISTANCE AND DEFINITIONS.—The*  
 16          provisions of sections 2606 and 2707 shall apply for pur-  
 17          poses of this subpart, except that with respect to the defini-  
 18          tion of metropolitan area in section 2607(2), such term  
 19          shall be applied so that for purposes of determining eligible  
 20          areas, the Secretary shall use the boundaries of a respective  
 21          area that were used when the area involved initially receive  
 22          funding under this part.

23          **“SEC. 2609B. AUTHORIZATION OF APPROPRIATIONS.**

24          *“There are authorized to be appropriated to carry out*  
 25          this subpart—

1           “(1) with respect to areas described in section  
 2           2609(a)(1)(A), \$123,300,000 for fiscal year 2007,  
 3           \$127,900,000 for fiscal year 2008, \$132,600,000 for  
 4           fiscal year 2009, \$137,500,000 for fiscal year 2010,  
 5           and \$142,600,000 for fiscal year 2011; and

6           “(2) with respect to areas described in section  
 7           2609(a)(1)(B), \$5,000,000 for each of the fiscal years  
 8           2007 through 2011.

9           **“Subpart III—General Provisions”.**

10          (b) *REPEAL*.—Section 2620 of the Public Health Serv-  
 11          ice Act (42 U.S.C. 300ff–30) is repealed.

12          **SEC. 111. AUTHORIZATION OF APPROPRIATIONS.**

13          Subpart I of part A of title XXVI of the Public Health  
 14          Service Act (42 U.S.C. 300ff–11) is amended by adding at  
 15          the end the following:

16          **“SEC. 2606. AUTHORIZATION OF APPROPRIATIONS.**

17          “*For the purpose of carrying put this subpart, there*  
 18          *are authorized to be appropriated \$418,600,000 for fiscal*  
 19          *year 2007, \$434,100,000 for fiscal year 2008, \$450,100,000*  
 20          *for fiscal year 2009, \$466,800,000 for fiscal year 2010, and*  
 21          *\$484,100,000 for fiscal year 2011.”.*



1                   ***TITLE II—CARE GRANTS***

2   ***SEC. 201. LIVING CASES OF HIV/AIDS.***

3           (a) *PRIORITY.*—Section 2611(b)(1) of the Public  
4 *Health Service Act (42 U.S.C. 300ff–21(b)(1)) is amend-*  
5 *ed—*

6                   (1) *by striking “acquired immune deficiency*  
7 *syndrome” and inserting “HIV/AIDS”; and*

8                   (2) *by striking “such syndrome” and inserting*  
9 *“HIV/AIDS”.*

10          (b) *APPLICATION.*—Section 2617(d)(3) of the Public  
11 *Health Service Act (42 U.S.C. 300ff–27(d)(3)) is amend-*  
12 *ed—*

13                   (1) *in subparagraph (A), by striking “acquired*  
14 *immune deficiency syndrome” and inserting “HIV/*  
15 *AIDS”; and*

16                   (2) *in subparagraph (C), by striking “acquired*  
17 *immune deficiency syndrome” and inserting “HIV/*  
18 *AIDS”.*

19          (c) *DISTRIBUTION OF FUNDS.*—Section 2618(a) of the  
20 *Public Health Service Act (42 U.S.C. 300ff–28(a)) is*  
21 *amended—*

22                   (1) *in paragraph (1)(A)(i)—*

23                           (A) *in subclause (I), by striking “cases of*  
24 *acquired immune deficiency syndrome, as deter-*  
25 *mined under paragraph (2)(D)” and inserting*

1       *“living cases of AIDS (reported to and confirmed*  
 2       *by the Director of the Centers for Disease Control*  
 3       *and Prevention)”*; and

4               *(B) in subclause (II)—*

5                   *(i) by striking “cases of acquired im-*  
 6                   *mune deficiency syndrome, as determined*  
 7                   *under paragraph (2)(D)” and inserting*  
 8                   *“living cases of AIDS (reported to and con-*  
 9                   *firmed by the Director of the Centers for*  
 10                  *Disease Control and Prevention)”*; and

11                  *(ii) by inserting “and” after the semi-*  
 12                  *colon; and*

13       *(2) in paragraph (2)—*

14               *(A) in subparagraph (B), by striking “esti-*  
 15               *mated number of living cases of acquired im-*  
 16               *mune deficiency syndrome” and inserting “num-*  
 17               *ber of living cases of HIV/AIDS”;*

18               *(B) in subparagraph (C)—*

19                   *(i) by striking “estimated” each place*  
 20                   *that such term appears; and*

21                   *(ii) by striking “acquired immune de-*  
 22                   *ficiency syndrome” each place that such ap-*  
 23                   *pears and inserting “HIV/AIDS”;* and

24               *(C) by striking subparagraph (D) and in-*  
 25       *serting the following:*

1 “(F) *LIVING CASES OF HIV/AIDS.*—

2 “(i) *IN GENERAL.*—*Except as provided*  
 3 *for in clause (ii) and (iii), the amount de-*  
 4 *termined in this subparagraph is the num-*  
 5 *ber of living cases of HIV/AIDS (reported to*  
 6 *and confirmed by the Director of the Cen-*  
 7 *ters for Disease Control and Prevention)*  
 8 *through December 31 of the most recent cal-*  
 9 *endar year involved.*

10 “(ii) *FISCAL YEARS 2007 THROUGH*  
 11 *2010.*—*For each of fiscal years 2007 through*  
 12 *2010, the Secretary may use the proxy*  
 13 *number for the number of HIV cases de-*  
 14 *scribed in clause (iii) if—*

15 “(I) *the State involved—*

16 “(aa) *is reporting, or the*  
 17 *State will by October 1, 2006 have*  
 18 *submitted a transition plan for*  
 19 *reporting, accurate and reliable*  
 20 *HIV cases to the Director of the*  
 21 *Centers for Disease Control and*  
 22 *Prevention; or*

23 “(bb) *not later than October*  
 24 *1, 2006, make all necessary statu-*  
 25 *tory changes to allow for the col-*

1                    *lection of HIV data certified by*  
2                    *the Director of the Centers for*  
3                    *Disease Control and Prevention;*

4                    *“(II) the State involved will by*  
5                    *April 1, 2008, begin reporting accurate*  
6                    *and reliable HIV cases, as determined*  
7                    *by the Director of the Centers for Dis-*  
8                    *ease Control and Prevention; and*

9                    *“(III) the Director of the Centers*  
10                   *for Disease Control and Prevention has*  
11                   *determined that such State does not*  
12                   *have an established HIV surveillance*  
13                   *system.*

14                   *“(iii) AMOUNT DETERMINED.—With*  
15                   *respect to each of fiscal years 2007 through*  
16                   *2010, the amount determined under this*  
17                   *subparagraph shall be the lesser of—*

18                   *“(I) the product of 0.9 and the*  
19                   *number of living AIDS cases in the*  
20                   *area involved; or*

21                   *“(II) an amount equal to 110 per-*  
22                   *cent of the funding level for the pre-*  
23                   *vious fiscal year.”.*

1 **SEC. 202. AIDS DRUG ASSISTANCE PROGRAM.**

2       (a) *REQUIREMENT OF MINIMUM DRUG LIST.*—Section  
3 2616 of the Public Health Service Act (42 U.S.C. 300ff–  
4 26) is amended—

5           (1) in subsection (c), by striking paragraph (1)  
6 and inserting the following:

7           “(1) ensure that those treatments contained on  
8 the list of core AIDS Drug Assistance Program  
9 antiretroviral medications developed by the Secretary  
10 based on Public Health Service guidelines, are the  
11 minimum required treatments to be included under  
12 the program established under this section;”; and

13           (2) in subsection (d), by adding at the end the  
14 following: “The Secretary, in consultation with the  
15 Public Health Service, shall develop and maintain a  
16 list of classes of core AIDS Drug Assistance Program  
17 antiretroviral medications that shall be based upon  
18 those medications included in the Department of  
19 Health and Human Service’s Public Health Service  
20 HIV/AIDS Clinical Practice Guidelines for use of  
21 HIV/AIDS Drugs, drugs needed to manage symptoms  
22 associated with HIV infection.”.

23       (b) *STATE REQUIREMENTS.*—Subclauses (I) through  
24 (III) of section 2618(a)(2)(I)(ii) of the Public Health Serv-  
25 ice Act (42 U.S.C. 300ff–28(a)(2)(I)(ii) (I)–(III)) are  
26 amended to read as follows:

1                   “(I) *IN GENERAL.*—From  
 2                   *amounts made available under*  
 3                   *subclause (V), the Secretary shall*  
 4                   *award supplemental grants to*  
 5                   *States described in subclause (II)*  
 6                   *to enable such States to purchase*  
 7                   *and distribute to eligible individ-*  
 8                   *uals (as described in section*  
 9                   *2616(b)), pharmaceutical thera-*  
 10                   *peutics described under sections*  
 11                   *2616(a) and 2616(c).*

12                   “(II) *ELIGIBLE STATES.*—  
 13                   *For purposes of subclause (I), a*  
 14                   *State shall be an eligible State if*  
 15                   *the State did not have unexpended*  
 16                   *funds subject to reallocation under*  
 17                   *section 2618(d) and, in accord-*  
 18                   *ance with criteria established by*  
 19                   *the Secretary, demonstrates a se-*  
 20                   *vere need for a grant under this*  
 21                   *clause. In developing such cri-*  
 22                   *teria, the Secretary shall consider*  
 23                   *eligibility standards, formulary*  
 24                   *composition, the number of eligi-*  
 25                   *ble individuals to whom a State is*

1                    *unable to provide therapeutics de-*  
 2                    *scribed in section 2616(a), and an*  
 3                    *unanticipated increase of eligible*  
 4                    *individuals with HIV/AIDS.*

5                    “(III) STATE REQUIREMENTS.—

6                    *The Secretary may not make a grant*  
 7                    *to a State under this clause unless the*  
 8                    *State agrees that the State will make*  
 9                    *available (directly or through dona-*  
 10                    *tions of public or private entities) non-*  
 11                    *Federal contributions toward the ac-*  
 12                    *tivities to be carried out under the*  
 13                    *grant in an amount equal to \$1 for*  
 14                    *each \$4 of Federal funds provided in*  
 15                    *the grant, except that the Secretary*  
 16                    *may waive this subclause if the State*  
 17                    *has otherwise fully complied with sec-*  
 18                    *tion 2617(d) with respect to the grant*  
 19                    *year involved.”.*

20                    (c) INCREASE IN ADAP SET-ASIDE.—Section

21                    *2618(a)(2)(I)(ii)(V) of the Public Health Service Act (42*  
 22                    *U.S.C. 300ff–28(a)(2)(I)(ii)(V)) is amended by striking “3”*  
 23                    *and inserting “5”.*

1       (d) *DRUG REBATE PROGRAM.*—Section 2616 of the  
 2   *Public Health Service Act (42 U.S.C. 300ff–26)* is amended  
 3   by adding at the end the following:

4       “(f) *DRUG REBATE PROGRAM.*—A State shall ensure  
 5   that any drug rebates received on drugs purchased from  
 6   funds provided under this section are applied to activities  
 7   supported under this title, with a preference for activities  
 8   described under this section.”.

9   **SEC. 203. COORDINATION.**

10       Section 2617(b) of the *Public Health Service Act (42*  
 11   *U.S.C. 300ff–27(b))* is amended—

12               (1) by redesignating paragraphs (4) through (6)  
 13       as paragraphs (5) through (7), respectively;

14               (2) by inserting after paragraph (3), the fol-  
 15       lowing:

16               “(4) the designation of a lead State agency that  
 17       shall—

18                       “(A) administer all assistance received  
 19       under this part;

20                       “(B) conduct the needs assessment and pre-  
 21       pare the State plan under paragraph (3);

22                       “(C) prepare all applications for assistance  
 23       under this part;

24                       “(D) receive notices with respect to pro-  
 25       grams under this title;



1           “(E) every 2 years, collect and submit to the  
2           Secretary all audits from grantees within the  
3           State, including audits regarding funds ex-  
4           pended in accordance with this part; and

5           “(F) carry out any other duties determined  
6           appropriate by the Secretary to facilitate the co-  
7           ordination of programs under this title.”;

8           (3) in paragraph (5) (as so redesignated)—

9           (A) in the matter preceding subparagraph  
10          (A), by striking “under this part” and inserting  
11          “under any provision of this title”;

12          (B) in subparagraph (E), by striking “and”  
13          at the end; and

14          (C) by inserting after subparagraph (F), the  
15          following:

16               “(G) includes key outcomes to be measured  
17               by all entities in the State receiving assistance  
18               under this title; and”.

19   **SEC. 204. DISTRIBUTION OF FUNDS.**

20          (a) *IN GENERAL.*—Section 2618(a)(2) of the Public  
21   Health Service Act (42 U.S.C. 300ff–28(a)(2)) is amend-  
22   ed—

23          (1) in subparagraph (A)—

24               (A) in clause (i), by striking “and (I)” and  
25               inserting “, (I), and (J)”; and

1                   (B) in clause (ii)—

2                   (i) in subclause (I)—

3                   (I) by striking “0.8” and insert-  
4                   ing “0.75”; and

5                   (II) by striking “and” at the end;

6                   (ii) in subclause (II), by striking the  
7                   period and inserting “; and”; and

8                   (iii) by adding at the end the fol-  
9                   lowing:

10                   “(III) the product of 0.05 and the  
11                   ratio of the locality distribution factor  
12                   (as determined under subparagraph  
13                   (D)) to the sum of the respective State  
14                   distribution factors for all States and  
15                   territories.”;

16                   (2) in subparagraph (C)(ii), by striking “(as de-  
17                   termined under part A)” and inserting “under sub-  
18                   part I of part A and an eligible area under section  
19                   2609(a)(1)(A)”;

20                   (3) by inserting after subparagraph (C), the fol-  
21                   lowing:

22                   “(D) LOCALITY DISTRIBUTION FACTOR.—  
23                   For purposes of subparagraph (A)(ii)(III), the  
24                   term ‘locality distribution factor’ means an  
25                   amount equal to the sum of—

1           “(i) the number of living cases of HIV/  
2           AIDS in the State or territory involved, as  
3           determined under subparagraph (F); less

4           “(ii) the number of living cases of  
5           HIV/AIDS in such State or territory that  
6           are within an eligible area (as determined  
7           under subpart I of part A and section  
8           2609(a)(1)(A)).”;

9           (4) by striking subparagraph (E) and inserting  
10          the following:

11           “(E) SEVERITY OF NEED.—

12           “(i) FISCAL YEARS BEGINNING WITH  
13           2011.—If, by January 1, 2010, the Secretary  
14           notifies the appropriate committees of Con-  
15           gress that the Secretary has developed a se-  
16           verity of need index, in accordance with  
17           clause (v), the provisions of subparagraphs  
18           (A) through (D) shall not apply for fiscal  
19           year 2011 or any fiscal year thereafter, and  
20           the Secretary shall use the severity of need  
21           index (as defined in clause (iv)) for the de-  
22           termination of the formula allocations, sub-  
23           ject to the Congressional Review Act.

24           “(ii) SUBSEQUENT FISCAL YEARS.—If,  
25           on or before any January 1 that is subse-

1            *quent to the date referred to in clause (i),*  
 2            *the Secretary notifies the appropriate com-*  
 3            *mittees of Congress that the Secretary has*  
 4            *developed a severity of need index, in ac-*  
 5            *cordance with clause (v), for each suc-*  
 6            *ceeding fiscal year, the provisions of sub-*  
 7            *paragraphs (A) through (D) shall not*  
 8            *apply, and the Secretary shall use the sever-*  
 9            *ity of need index (as defined in clause (iv))*  
 10           *for the determination of the formula alloca-*  
 11           *tions, subject to the Congressional Review*  
 12           *Act.*

13           “(iii) *FISCAL YEAR 2013.*—*The Sec-*  
 14           *retary shall notify the appropriate commit-*  
 15           *tees of Congress that the Secretary has de-*  
 16           *veloped a severity of need index by January*  
 17           *1, 2012, and the provisions of subpara-*  
 18           *graphs (A) through (D) shall not apply,*  
 19           *and the Secretary shall use the severity of*  
 20           *need index (as defined in clause (iv)) for the*  
 21           *formula allocations for fiscal year 2013,*  
 22           *subject to the Congressional Review Act.*

23           “(iv) *DEFINITION OF SEVERITY OF*  
 24           *NEED INDEX.*—*In this subparagraph, the*  
 25           *term ‘severity of need index’ means the*

1 *index of the relative needs of individuals*  
 2 *within the State, as identified by a variety*  
 3 *of different factors, and is a factor that is*  
 4 *multiplied by the number of living HIV/*  
 5 *AIDS cases in the State, providing different*  
 6 *weights to those cases based on their needs.*

7 “(v) *REQUIREMENTS FOR SECRE-*  
 8 *TARIAL NOTIFICATION.*—*When the Secretary*  
 9 *notifies the appropriate committees of Con-*  
 10 *gress that the Secretary has developed a se-*  
 11 *verity of need index, the Secretary shall*  
 12 *provide the following:*

13 “(I) *Methodology for and ration-*  
 14 *ale behind developing the severity of*  
 15 *need index, including information re-*  
 16 *lated to the field testing of the severity*  
 17 *of need index.*

18 “(II) *Expected changes in funding*  
 19 *allocations, given the application of the*  
 20 *severity of need index and the elimi-*  
 21 *nation of the provisions of subpara-*  
 22 *graphs (A) through (D).*

23 “(III) *Information regarding the*  
 24 *process by which the Secretary received*

1                   *community input regarding the appli-*  
2                   *cation of the severity of need index.*

3                   “(IV) *Timeline and process for the*  
4                   *implementation of the severity of need*  
5                   *index to ensure that it is applied in*  
6                   *the following fiscal year.*

7                   “(vi) *ANNUAL REPORTS.—Not later*  
8                   *than 1 year after the date of enactment of*  
9                   *the Ryan White HIV/AIDS Treatment Mod-*  
10                  *ernization Act of 2006, and annually there-*  
11                  *after until the Secretary notifies Congress*  
12                  *that the Secretary has developed a severity*  
13                  *of need index in accordance with this sub-*  
14                  *paragraph, the Secretary shall prepare and*  
15                  *submit to the appropriate committees of*  
16                  *Congress a report—*

17                  “(I) *that updates progress toward*  
18                  *having client level data;*

19                  “(II) *that updates the progress to-*  
20                  *ward having a severity of need index,*  
21                  *including information related to the*  
22                  *methodology and process for obtaining*  
23                  *community input; and*

24                  “(III) *that, as applicable, states*  
25                  *whether the Secretary could develop a*

1                   *severity of need index before fiscal year*  
 2                   *2010.”.*

3                   *(5) by striking subparagraph (G), and inserting*  
 4                   *the following:*

5                   “(G) *UNEXPENDED FUNDS.*—

6                   “(i) *IN GENERAL.*—*A State that has*  
 7                   *unobligated funds for a fiscal year under a*  
 8                   *grant under this part shall—*

9                   “(I) *return such funds to the Sec-*  
 10                   *retary to be applied as provided for in*  
 11                   *section 2620; or*

12                   “(II) *submit an application to the*  
 13                   *Secretary for the use of such funds in*  
 14                   *the succeeding fiscal year that includes*  
 15                   *a description of the manner in which*  
 16                   *the State intends to use such funds.*

17                   “(ii) *CARRYOVER.*—*With respect to an*  
 18                   *application received under clause (i)(II),*  
 19                   *the Secretary shall determine whether the*  
 20                   *State involved may carryover any unobli-*  
 21                   *gated funds for use under this part in the*  
 22                   *succeeding fiscal year or whether such*  
 23                   *amounts shall be returned to the Secretary*  
 24                   *for use under section 2620. Notice shall be*  
 25                   *provided to the area of such determination.*

1           “(iii) *FAILURE TO EXPEND FUNDS.*—  
 2           *Amounts carried over by a State under this*  
 3           *subparagraph that are not expended in the*  
 4           *succeeding fiscal year shall be returned to*  
 5           *the Secretary for use under section 2610.*

6           “(iv) *CONSIDERATION IN MAKING*  
 7           *GRANTS.*—*The Secretary may, in deter-*  
 8           *mining the amount of a grant for a fiscal*  
 9           *year under this paragraph, adjust the grant*  
 10           *amount to reflect the amount of unexpended*  
 11           *and uncanceled grant funds remaining at*  
 12           *the end of the fiscal year preceding the year*  
 13           *for which the grant determination is to be*  
 14           *made. The amount of any such unexpended*  
 15           *funds shall be determined using the finan-*  
 16           *cial status report of the grantee.”;*

17           (6) *by striking subparagraph (H); and*

18           (7) *in subparagraph (I)(ii), by striking sub-*  
 19           *clause (VI) and inserting the following:*

20                       “(VI) *INCREASES IN GRANT.*—

21                               “(aa) *IN GENERAL.*—*For eli-*  
 22                               *gible areas receiving grants under*  
 23                               *this section in fiscal year 2007,*  
 24                               *the Secretary shall increase the*  
 25                               *amount of the grant made pursu-*



1 *ant to paragraph (2) for the State*  
2 *to ensure that—*

3 *“(AA) for fiscal year*  
4 *2007, the grant is not less*  
5 *than 90 percent of the*  
6 *amount of the grant made for*  
7 *the State under section 2620*  
8 *and section 2618(a) for the*  
9 *base year;*

10 *“(BB) for fiscal year*  
11 *2008, the grant is not less*  
12 *than 85 percent of the*  
13 *amount of such base year*  
14 *grant; and*

15 *“(CC) for fiscal year*  
16 *2009, the grant is not less*  
17 *than 80 percent of the*  
18 *amount of the base year*  
19 *grant.*

20 *“(bb) BASE YEAR.—With re-*  
21 *spect to grants made pursuant to*  
22 *paragraph (2) for an State, the*  
23 *base year shall be fiscal year*  
24 *2006.”.*

1       (b) *REALLOCATION*.—Section 2618(d) of the Public  
 2   Health Service Act (42 U.S.C. 300ff–28(d)) is amended by  
 3   striking “in proportion to the original grants made to such  
 4   States” and insert “reallocated pursuant to section 2620”.

5   **SEC. 205. CORE MEDICAL SERVICES.**

6       Section 2612 of the Public Health Service Act (42  
 7   U.S.C. 300ff–22) is amended by adding at the end the fol-  
 8   lowing:

9       “(e) *REQUIRED FUNDING FOR CORE MEDICAL SERV-*  
 10   *ICES*.—

11           “(1) *IN GENERAL*.—Notwithstanding any other  
 12       provision of law, a grantee under this part shall ex-  
 13       pend not less than 75 percent of the funds received  
 14       under the grant on core medical services, except that  
 15       the Secretary shall waive the application of this sub-  
 16       section with respect to a grantee if the Secretary de-  
 17       termines that, within the service area of the grantee—

18                   “(A) there is no waiting lists for AIDS  
 19       Drug Assistance Program services; and

20                   “(B) core medical services are available to  
 21       all individuals infected with HIV/AIDS.

22           “(2) *CORE MEDICAL SERVICES*.—For purposes of  
 23       this subsection, the term ‘core medical services’ with  
 24       respect to an individual infected with HIV/AIDS (in-

1       cluding the co-occurring diseases of the individual)  
2       means the following services:

3               “(A) Outpatient and ambulatory health  
4       services.

5               “(B) AIDS Drug Assistance Program treat-  
6       ments.

7               “(C) AIDS pharmaceutical assistance.

8               “(D) Oral health care.

9               “(E) Early intervention services.

10              “(F) Health insurance premium and cost  
11       sharing assistance for low-income individuals.

12              “(G) Home health care.

13              “(H) Hospice services.

14              “(I) Home and community-based health  
15       services as defined under section 2614(c), except  
16       homemaker services.

17              “(J) Mental health services.

18              “(K) Substance abuse outpatient care.

19              “(L) Medical case management, including  
20       treatment adherence services.

21              “(3) SUPPORT SERVICES.—Notwithstanding any  
22       other provision of law, and subject to paragraph (1),  
23       a grantee under this part, subject to the approval of  
24       the Secretary, may provide support services (such as  
25       respite care for individuals with HIV/AIDS, outreach

1        *services, medical transportation, nutritional coun-*  
 2        *seling, linguistic services, and referral for health care*  
 3        *and support services for individuals with HIV/AIDS)*  
 4        *needed to achieve medical outcomes which are related*  
 5        *to the medical outcomes for an individual infected*  
 6        *with HIV and approved by the Secretary.*

7            “(4) *DEFINITION OF MEDICAL OUTCOMES.*—*In*  
 8        *this subsection, the term ‘medical outcomes’ means*  
 9        *those outcomes affecting the HIV-related clinical sta-*  
 10       *tus of an individual with HIV/AIDS.*

11           “(5) *UNEXPENDED FUNDS.*—*Any amounts re-*  
 12        *quired to be expended for core medical services or sup-*  
 13        *port services under this subsection that remain unob-*  
 14        *ligated at the end of the fiscal year in which the funds*  
 15        *were awarded shall be remitted to the Secretary for*  
 16        *reallocation under section 2620.”.*

17    **SEC. 206. SUPPLEMENTAL GRANTS.**

18        (a) *IN GENERAL.*—*Section 2620 of the Public Health*  
 19        *Service Act (42 U.S.C. 300ff–30) is amended to read as fol-*  
 20        *lows:*

21    **“SEC. 2620. SUPPLEMENTAL GRANTS.**

22        “(a) *IN GENERAL.*—*The Secretary shall utilize*  
 23        *amounts appropriated under section 2622 for a fiscal year*  
 24        *and made available in accordance with subsection (c) to*  
 25        *award grants to States whose applications under section*

1 2617 demonstrate a need in the State for supplemental fi-  
 2 nancial assistance to combat the HIV epidemic and that  
 3 have not had unexpended funds subject to the reallocation  
 4 under section 2618(a)(2)(G).

5 “(b) *DEMONSTRATED NEED.*—In determining dem-  
 6 onstrated need for purposes of subsection (a), the Secretary  
 7 shall consider relevant factors that impact the need for sup-  
 8 plemental financial assistance, including—

9 “(1) the unmet need for such services, as deter-  
 10 mined under section 2602(b)(4) or other community  
 11 input process as defined under section 2609A(a);

12 “(2) an increasing need for HIV/AIDS-related  
 13 services, including relative rates of increase in the  
 14 number of cases of HIV/AIDS;

15 “(3) the relative rates of increase in the number  
 16 of cases of HIV/AIDS within new or emerging sub-  
 17 populations;

18 “(4) the current prevalence of HIV/AIDS;

19 “(5) relevant factors related to the cost and com-  
 20 plexity of delivering health care to individuals with  
 21 HIV/AIDS in the eligible area;

22 “(6) the impact of co-morbid factors, including  
 23 co-occurring infections, determined relevant by the  
 24 Secretary;

25 “(7) the prevalence of homelessness;

1           “(8) the prevalence of individuals described  
2           under section 2602(b)(2)(M);

3           “(9) the relevant factors that limit access to  
4           health care, including geographic variation, adequacy  
5           of health insurance coverage, and language barriers;  
6           or

7           “(10) the impact of a precipitous decline in the  
8           amount received under this subpart to an increase in  
9           unmet need for such services.

10          “(c) AMOUNT AND TRIGGER OF FUNDING.—

11           “(1) AMOUNT.—For each fiscal year beginning  
12           with the trigger year described in paragraph (2), the  
13           Secretary shall make available for purposes of award-  
14           ing grants under this section,  $\frac{1}{3}$  of the sum of—

15           “(A) the amount appropriated under sec-  
16           tion 2622 for such fiscal year; less

17           “(B) the amount made available to carry  
18           out section 2618(a)(2)(I) and section 2621 for  
19           such fiscal year.

20          “(2) TRIGGER YEAR.—This section shall be effec-  
21           tive only for fiscal years beginning in the first fiscal  
22           year in which the amount appropriated under section  
23           2621, excluding any amounts made available to carry  
24           out section 2618(a)(2)(I) and section 2621 for such  
25           fiscal year, exceeds the amount appropriated under

1        *section 2677(b) (as such section existed on the day be-*  
 2        *fore the date of enactment of the Ryan White HIV/*  
 3        *AIDS Treatment Modernization Act of 2006) for fis-*  
 4        *cal year 2006, excluding any amount made available*  
 5        *to carry out section 2618(a)(2)(I) for fiscal year*  
 6        *2006.”.*

7        *(b) CONFORMING AMENDMENTS.—Section 2618 of the*  
 8        *Public Health Service Act (42 U.S.C. 300ff–28) is amend-*  
 9        *ed—*

10            *(1) in subsection (a)(1), by striking “section*  
 11            *2677” and inserting “section 2622 and to the provi-*  
 12            *sions of section 2620”; and*

13            *(2) in subsection (c)(1), by inserting “, except for*  
 14            *grants awarded under section 2620,” after “under*  
 15            *this part”.*

16        **SEC. 207. REDUCTION OF THE ADAP WAITING LIST.**

17        *Subpart I of part B of title XXVI of the Public Health*  
 18        *Service Act (42 U.S.C. 300ff–21 et seq.) is amended by add-*  
 19        *ing at the end the following:*

20        **“SEC. 2621. REDUCTION OF THE ADAP WAITING LIST.**

21            *“(a) IN GENERAL.—If the Secretary determines that*  
 22            *there is additional need for States to have funds to provide*  
 23            *eligible individuals (as described in section 2616(b)) appro-*  
 24            *priate access to pharmaceutical therapies, the Secretary*  
 25            *may make supplemental grants to States described in sub-*

1 *section (b) to enable such States to purchase and distribute*  
2 *to eligible individuals pharmaceutical therapies as de-*  
3 *scribed in sections 2616(a) and 2616(e).*

4       “(b) *ELIGIBLE STATES.*—*For purposes of subsection*  
5 *(a), a State is an eligible State if the State did not have*  
6 *unexpended funds subject to reallocation under section*  
7 *2618(d), and, in accordance with criteria established by the*  
8 *Secretary, demonstrates a need for a grant under such sub-*  
9 *section. In developing such criteria, the Secretary shall con-*  
10 *sider eligibility standards, formulary composition, the*  
11 *number of eligible individuals to whom the State is unable*  
12 *to provide therapeutics described in section 2616(a), and*  
13 *unanticipated increases in the number of eligible individ-*  
14 *uals.*

15       “(c) *STATE REQUIREMENTS.*—*The Secretary may not*  
16 *make a grant to a State under this section unless the State*  
17 *involved agrees that the State will make available (directly*  
18 *or through donations from public or private entities) non-*  
19 *Federal contributions toward the activities to be carried out*  
20 *under the grant in an amount equal to \$1 for each \$4 of*  
21 *Federal funds provided under the grant, except that the Sec-*  
22 *retary may waive this subsection if the State has otherwise*  
23 *fully complied with section 2617(d) with respect to the*  
24 *grant year involved.*



1       “(d) *AUTHORIZATION OF APPROPRIATIONS.*—*There is*  
 2 *authorized to be appropriated to carry out this section,*  
 3 *\$40,000,000 for fiscal year 2007.*”.

4   **SEC. 208. NATIVE AMERICAN REPRESENTATION.**

5       *Section 2617(b)(6) of the Public Health Service Act*  
 6 *(42 U.S.C. 300ff–27(b)(5)), as so redesignated, is amended*  
 7 *by inserting “Native Americans within the State,” before*  
 8 *“representatives of grantees”.*

9   **SEC. 209. PAYER OF LAST RESORT.**

10       *Section 2617(b)(7)(F)(ii) of the Public Health Service*  
 11 *Act (42 U.S.C. 300ff–27(b)(6))is amended by inserting*  
 12 *“(except for a program administered by or providing the*  
 13 *services of the Indian Health Services)” before the semi-*  
 14 *colon.*

15   **SEC. 210. HEPATITIS.**

16       *Section 2614(a)(3) of the Public Health Service Act*  
 17 *(42 U.S.C. 300ff–24(a)(3)) is amended by inserting “, in-*  
 18 *cluding speciality care (including vaccinations) for hepa-*  
 19 *titis coinfection,” after “health services”.*

20   **SEC. 211. AUTHORIZATION OF APPROPRIATIONS.**

21       *Subpart I of part B of title XXVI of the Public Health*  
 22 *Service Act (42 U.S.C. 300ff–21 et seq.), as amended by*  
 23 *section 207, is further amended by adding at the end the*  
 24 *following:*

1 **“SEC. 2622. AUTHORIZATION OF APPROPRIATIONS.**

2       *“For the purpose of carrying put this subpart, there*  
 3 *are authorized to be appropriated \$1,190,400,000 for fiscal*  
 4 *year 2007, \$1,193,000,000 for fiscal year 2008,*  
 5 *\$1,237,100,000 for fiscal year 2009, \$1,282,900,000 for fis-*  
 6 *cal year 2010, and \$1,330,300,000 for fiscal year 2011.”.*

7                   **TITLE III—EARLY**  
 8                   **INTERVENTION SERVICES**

9 **SEC. 301. CATEGORICAL GRANTS.**

10       *(a) ESTABLISHMENT OF PROGRAM.—Section 2651(b)*  
 11 *of the Public Health Service Act (42 U.S.C. 300ff–51(b))*  
 12 *is amended—*

13               *(1) in paragraph (2)(D), by striking “the dis-*  
 14 *ease” and inserting “HIV/AIDS”;*

15               *(2) in paragraph (4)(B)—*

16                   *(A) in clause (i), by striking “paragraphs*  
 17 *(1)” and all that follows through “2652(a)” and*  
 18 *inserting “subparagraphs (A), (D), (E), and (F)*  
 19 *of section 12652(a)(1)”;* and

20                   *(B) in clause (ii), by striking “paragraphs*  
 21 *(3) and (4) of section 2652(a)” and inserting*  
 22 *“subparagraphs (B) and (C) of section*  
 23 *2652(a)(1)”;* and

24               *(3) in paragraph (5)(A), by striking “the dis-*  
 25 *ease” each place that such appears and inserting*  
 26 *“HIV/AIDS”.*

1       (b) *MINIMUM QUALIFICATION OF GRANTEES.*—Section  
 2   2652(a) of the Public Health Service Act (42 U.S.C. 300ff–  
 3   52(a)) is amended to read as follows:

4       “(a) *ELIGIBLE ENTITIES.*—

5           “(1) *IN GENERAL.*—The entities referred to in  
 6   section 2651(a) are public entities and nonprofit pri-  
 7   vate entities that are—

8           “(A) *federally-qualified health centers under*  
 9       *section 1905(l)(2)(B) of the Social Security Act;*

10          “(B) *grantees under section 1001 (regarding*  
 11       *family planning) other than States;*

12          “(C) *comprehensive hemophilia diagnostic*  
 13       *and treatment centers;*

14          “(D) *rural health clinics;*

15          “(E) *health facilities operated by or pursu-*  
 16       *ant to a contract with the Indian Health Serv-*  
 17       *ice;*

18          “(F) *nonprofit private entities that provide*  
 19       *comprehensive primary care services to popu-*  
 20       *lations at risk of HIV/AIDS.*

21       “(2) *UNDERSERVED POPULATIONS.*—Entities de-  
 22   scribed in paragraph (1) shall serve underserved pop-  
 23   ulations which may include minority populations  
 24   and Native American populations, ex-offenders, indi-  
 25   viduals co-infected with HIV and hepatitis B or C,

1        *low-income populations, inner city populations, and*  
 2        *rural populations.”.*

3        (c) *PREFERENCES IN MAKING GRANTS.—Section 2653*  
 4        *of the Public Health Service Act (42 U.S.C. 300ff–53) is*  
 5        *amended—*

6                (1) *in subsection (b)(1)—*

7                        (A) *in subparagraph (A), by striking “ac-*  
 8                        *quired immune deficiency syndrome” and insert-*  
 9                        *ing “HIV/AIDS”; and*

10                      (B) *in subparagraph (D), by inserting be-*  
 11                      *fore the semicolon the following: “and the num-*  
 12                      *ber of cases of individuals coinfectd with HIV/*  
 13                      *AIDS and hepatitis B or C”; and*

14                (2) *in subsection (d)(2), by striking “special con-*  
 15                *sideration” and inserting “preference”.*

16        (d) *PLANNING AND DEVELOPMENT GRANTS.—Section*  
 17        *2654(c) of the Public Health Service Act (42 U.S.C. 300ff–*  
 18        *54(c)) is amended—*

19                (1) *in paragraph (1)—*

20                      (A) *in subparagraph (A), by striking*  
 21                      *“HIV”; and*

22                      (B) *in subparagraph (B), by striking*  
 23                      *“HIV” and inserting “HIV/AIDS”; and*

1           (2) in paragraph (3), by striking “or under-  
 2           served communities” and inserting “areas or to un-  
 3           derserved populations”.

4           (e) *AUTHORIZATION OF APPROPRIATIONS.*—Section  
 5           2655 of the Public Health Service Act (42 U.S.C. 300ff-  
 6           55) is amended by striking “such sums” and all that follows  
 7           through “2005” and inserting “, \$218,600,000 for fiscal  
 8           year 2007, \$226,700,000 for fiscal year 2008, \$235,100,000  
 9           for fiscal year 2009, \$234,800,000 for fiscal year 2010, and  
 10          \$252,800,000 for fiscal year 2011”.

11   **SEC. 302. GENERAL PROVISIONS.**

12          (a) *COUNSELING SERVICES.*—Section 2662(a) of the  
 13          Public Health Service Act (42 U.S.C. 300ff-62(a)) is  
 14          amended by striking “the disease” and inserting “HIV/  
 15          AIDS”.

16          (b) *APPLICABILITY OF CERTAIN REQUIREMENTS.*—  
 17          Section 2663 of the Public Health Service Act (42 U.S.C.  
 18          300ff-63) is amended by striking “will, without” and all  
 19          that follows through “be carried” and inserting “with funds  
 20          appropriated through this Act will be carried”.

21          (c) *ADDITIONAL REQUIRED AGREEMENTS.*—Section  
 22          2664(a) of the Public Health Service Act (42 U.S.C. 300ff-  
 23          64(a)) is amended—

24                 (1) in paragraph (1)—

1                   (A) in subparagraph (A), by striking “and”  
 2                   at the end;

3                   (B) in subparagraph (B), by striking “and”  
 4                   at the end; and

5                   (C) by adding at the end the following:

6                   “(C) information regarding how the ex-  
 7                   pected expenditures of the grant are related to  
 8                   the planning process for localities funded under  
 9                   part A (including the planning process described  
 10                  in section 2602) and for States funded under  
 11                  part B (including the planning process described  
 12                  in section 2617(b)); and

13                  “(D) a specification of the expected expendi-  
 14                  tures and how those expenditures will improve  
 15                  overall client outcomes, as described in the State  
 16                  plan under section 2617(b) or through additional  
 17                  outcome measures;”;

18                  (2) in paragraph (2), by striking the period and  
 19                  inserting a semicolon; and

20                  (3) by adding at the end the following:

21                  “(3) the applicant agrees to provide additional  
 22                  documentation to the Secretary regarding the process  
 23                  used to obtain community input into the design and  
 24                  implementation of activities related to such grant;  
 25                  and

1           “(4) the applicant agrees to submit to the lead  
 2       State agency under section 2617(b)(4) audits regard-  
 3       ing funds expended in accordance with this title and  
 4       shall include necessary client level data to complete  
 5       unmet need calculations and Statewide coordinated  
 6       statements of need process.”.

7   **SEC. 303. CORE MEDICAL SERVICES.**

8       Subpart II of part C of title XXVI of the Public Health  
 9   Service Act (42 U.S.C. 300ff–61 et seq.) is amended by add-  
 10   ing at the end the following:

11   **“SEC. 2688. REQUIRED FUNDING FOR CORE MEDICAL SERV-**  
 12                           **ICES.**

13       “(a) *IN GENERAL.*—Notwithstanding any other provi-  
 14   sion of law, a grantee under this part shall expend not less  
 15   than 75 percent of the funds received under the grant on  
 16   core medical services, except that the Secretary shall waive  
 17   the application of this section with respect to a grantee if  
 18   the Secretary determines that, within the service area of the  
 19   grantee—

20           “(1) there is no waiting lists for AIDS Drug As-  
 21   sistance Program services; and

22           “(2) core medical services are available to all in-  
 23   dividuals infected with HIV/AIDS.

24       “(b) *CORE MEDICAL SERVICES.*—For purposes of this  
 25   section, the term ‘core medical services’ with respect to an

1 *individual infected with HIV/AIDS (including the co-occur-*  
 2 *ring diseases of the individual) means the following services:*

3           “(1) *Outpatient and ambulatory health services.*

4           “(2) *AIDS Drug Assistance Program treatments.*

5           “(3) *AIDS pharmaceutical assistance.*

6           “(4) *Oral health care.*

7           “(5) *Early intervention services.*

8           “(6) *Health insurance premium and cost sharing*  
 9 *assistance for low-income individuals.*

10          “(7) *Home health care.*

11          “(8) *Hospice services.*

12          “(9) *Home and community-based health services*  
 13 *as defined under section 2614(c), except homemaker*  
 14 *services.*

15          “(10) *Mental health services.*

16          “(11) *Substance abuse outpatient care.*

17          “(12) *Medical case management, including treat-*  
 18 *ment adherence services.*

19          “(c) *SUPPORT SERVICES.—Notwithstanding any other*  
 20 *provision of law, and subject to subsection (a), a grantee*  
 21 *under this part, subject to the approval of the Secretary,*  
 22 *may provide support services (such as respite care for indi-*  
 23 *viduals with HIV/AIDS, outreach services, medical trans-*  
 24 *portation, nutritional counseling, linguistic services, and*  
 25 *referral for health care and support services for individuals*



1 *with HIV/AIDS) needed to achieve medical outcomes which*  
 2 *are related to the medical outcomes for an individual in-*  
 3 *fectured with HIV and approved by the Secretary.*

4 “(d) *DEFINITION OF MEDICAL OUTCOMES.*—*In this*  
 5 *section, the term ‘medical outcomes’ means those outcomes*  
 6 *affecting the HIV-related clinical status of an individual*  
 7 *with HIV/AIDS.*

8 “(e) *UNEXPENDED FUNDS.*—*Any amounts required to*  
 9 *be expended for core medical services or support services*  
 10 *under this section that remain unobligated at the end of*  
 11 *the fiscal year in which the funds were awarded shall be*  
 12 *remitted to the Secretary for reallocation under this sec-*  
 13 *tion.*”.

14 **SEC. 304. PAYER OF LAST RESORT.**

15 *Section 2664(f)(1)(A) of the Public Health Service Act*  
 16 *(42 U.S.C. 300ff–64(f)(1)(A)) is amended by inserting “(ex-*  
 17 *cept for a program administered by or providing the serv-*  
 18 *ices of the Indian Health Service)” before the semicolon.*

19 **TITLE IV—WOMEN, INFANTS,**  
 20 **CHILDREN, AND YOUTH**

21 **SEC. 401. WOMEN, INFANTS, CHILDREN, AND YOUTH.**

22 *Part D of title XXVI of the Public Health Service Act*  
 23 *(42 U.S.C. 300ff–71 et seq.) is amended to read as follows:*

6           “(a) *IN GENERAL.*—The Secretary, acting through the  
7 Administrator of the Health Resources and Services Admin-  
8 istration, shall award grants to public and nonprofit pri-  
9 vate entities (including a health facility operated by or pur-  
10 suant to a contract with the Indian Health Service) that  
11 provide family-centered care involving outpatient or ambu-  
12 latory care (directly or through contracts) for women, in-  
13 fants, children, and youth with HIV/AIDS.

18 “(1) *Family-centered care including case man-*  
19 *agement.*

21 “(A) referrals for inpatient hospital serv-  
22 ices, treatment for substance abuse, and mental  
23 health services; and

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1           “(3) *Additional services necessary to enable the*  
 2           *patient and the family to participate in the program*  
 3           *established by the applicant pursuant to such sub-*  
 4           *section including services designed to recruit and re-*  
 5           *tain youth with HIV.*

6           “(4) *The provision of information and education*  
 7           *on opportunities to participate in HIV/AIDS-related*  
 8           *clinical research.*

9           “(c) *COORDINATION WITH OTHER ENTITIES.—A*  
 10          *grant awarded under subsection (a) may be made only if*  
 11          *the applicant provides an agreement that includes the fol-*  
 12          *lowing:*

13           “(1) *The applicant will coordinate activities*  
 14           *under the grant with other providers of health care*  
 15           *services under this Act, and under title V of the So-*  
 16           *cial Security Act.*

17           “(2) *The applicant will participate in the state-*  
 18           *wide coordinated statement of need under part B*  
 19           *(where it has been initiated by the public health agen-*  
 20           *cy responsible for administering grants under part B)*  
 21           *and in revisions of such statement.*

22           “(3) *The applicant will every 2 years submit to*  
 23           *the lead State agency under section 2617(b)(4) audits*  
 24           *regarding funds expended in accordance with this*  
 25           *title and shall include necessary client-level data to*

1     *complete unmet need calculations and Statewide co-*  
 2     *ordinated statements of need process.*

3     “(d) *ADMINISTRATION.*—

4         “(1) *APPLICATION.*—A grant may only be  
 5     *awarded to an entity under subsection (a) if an ap-*  
 6     *plication for the grant is submitted to the Secretary*  
 7     *and the application is in such form, is made in such*  
 8     *manner, and contains such agreements, assurances,*  
 9     *and information as the Secretary determines to be*  
 10    *necessary to carry out this section. Such application*  
 11    *shall include the following:*

12         “(A) *Information regarding how the ex-*  
 13     *pected expenditures of the grant are related to*  
 14     *the planning process for localities funded under*  
 15     *part A (including the planning process outlined*  
 16     *in section 2602) and for States funded under*  
 17     *part B (including the planning process outlined*  
 18     *in section 2617(b).*

19         “(B) *A specification of the expected expend-*  
 20     *itures and how those expenditures will improve*  
 21     *overall patient outcomes, as outlined as part of*  
 22     *the State plan (under section 2617(b)) or*  
 23     *through additional outcome measures.*

24         “(2) *QUALITY MANAGEMENT PROGRAM.*—A  
 25     *grantee under this section shall implement a quality*

1     *management program to assess the extent to which*  
2     *HIV health services provided to patients under the*  
3     *grant are consistent with the most recent Public*  
4     *Health Service guidelines for the treatment of HIV/*  
5     *AIDS and related opportunistic infection, and as ap-*  
6     *plicable, to develop strategies for ensuring that such*  
7     *services are consistent with the guidelines for im-*  
8     *provement in the access to and quality of HIV health*  
9     *services.*

10    “(e) *ANNUAL REVIEW OF PROGRAMS; EVALUATIONS.*—

11         “(1) *REVIEW REGARDING ACCESS TO AND PAR-*  
12         *TICIPATION IN PROGRAMS.*—*With respect to a grant*  
13         *under subsection (a) for an entity for a fiscal year,*  
14         *the Secretary shall, not later than 180 days after the*  
15         *end of the fiscal year, provide for the conduct and*  
16         *completion of a review of the operation during the*  
17         *year of the program carried out under such subsection*  
18         *by the entity. The purpose of such review shall be the*  
19         *development of recommendations, as appropriate, for*  
20         *improvements in the following:*

21                 “(A) *Procedures used by the entity to allo-*  
22                 *cate opportunities and services under subsection*  
23                 *(a) among patients of the entity who are women,*  
24                 *infants, children, or youth.*

1                   “(B) *Other procedures or policies of the en-*  
 2                   *tity regarding the participation of such individ-*  
 3                   *uals in such program.*

4                   “(2) *EVALUATIONS.*—*The Secretary shall, di-*  
 5                   *rectly or through contracts with public and private*  
 6                   *entities, provide for evaluations of programs carried*  
 7                   *out pursuant to subsection (a).*

8                   “(f) *CAP ON ADMINISTRATIVE EXPENSES.*—*A grantee*  
 9                   *may not use more than 10 percent of amounts received*  
 10                  *under a grant awarded under this section for administra-*  
 11                  *tive expenses.*

12                  “(g) *TRAINING AND TECHNICAL ASSISTANCE.*—*From*  
 13                  *the amounts appropriated under subsection (i) for a fiscal*  
 14                  *year, the Secretary may use not more than 5 percent to*  
 15                  *provide, directly or through contracts with public and pri-*  
 16                  *vate entities (which may include grantees under subsection*  
 17                  *(a)), training and technical assistance to assist applicants*  
 18                  *and grantees under subsection (a) in complying with the*  
 19                  *requirements of this section.*

20                  “(h) *DEFINITIONS.*—*In this section:*

21                         “(1) *ADMINISTRATIVE EXPENSES.*—*The term*  
 22                         *‘administrative expenses’ means funds that are to be*  
 23                         *used by grantees for grant management and moni-*  
 24                         *toring activities, including costs related to any staff*  
 25                         *or activity unrelated to services or indirect costs.*

1           “(2) *INDIRECT COSTS.*—*The term ‘indirect costs’*  
 2           *means costs included in a Federally negotiated indi-*  
 3           *rect rate.*

4           “(3) *SERVICES.*—*The term ‘services’ means—*

5                   “(A) *services that are provided to clients to*  
 6                   *meet the goals and objectives of the program*  
 7                   *under this section, including the provision of*  
 8                   *professional, diagnostic, and therapeutic services*  
 9                   *by a primary care provider or a referral to and*  
 10                   *provision of specialty care; and*

11                   “(B) *services that sustain program activity*  
 12                   *and contribute to or help improve services under*  
 13                   *subparagraph (A).*

14           “(i) *AUTHORIZATION OF APPROPRIATIONS.*—*For the*  
 15           *purpose of carrying out this section, there are authorized*  
 16           *to be appropriated, \$71,800,000 for each of the fiscal years*  
 17           *2007 through 2011.”.*

18   **SEC. 402. GAO REPORT.**

19           *Not later than 24 months after the date of enactment*  
 20           *of this Act, the Comptroller General of the Government Ac-*  
 21           *countability Office shall conduct an evaluation, and submit*  
 22           *to Congress a report, concerning the funding provided for*  
 23           *under part D of title XXVI of the Public Health Service*  
 24           *Act to determine—*

1           (1) *how funds are used to provide the adminis-*  
 2           *trative expenses, indirect costs, and services, as de-*  
 3           *finied in section 2671(h) of such title, for individuals*  
 4           *with HIV/AIDS;*

5           (2) *how funds are used to provide the adminis-*  
 6           *trative expenses, indirect costs, and services, as de-*  
 7           *finied in section 2671(h) of such title, to family mem-*  
 8           *bers of women, infants, children, and youth infected*  
 9           *with HIV/AIDS;*

10          (3) *how funds are used to provide family-cen-*  
 11          *tered care involving outpatient or ambulatory care*  
 12          *authorized under section 2671(a) of such title;*

13          (4) *how funds are used to provide additional*  
 14          *services authorized under section 2671(b) of such title;*  
 15          *and*

16          (5) *how funds are used to help identify HIV-*  
 17          *positive pregnant women and connect them with care*  
 18          *that can improve their health and prevent perinatal*  
 19          *transmission.*

## 20   ***TITLE V—GENERAL PROVISIONS***

### 21   ***SEC. 501. GENERAL PROVISIONS.***

22          *Part E of title XXVI of the Public Health Service Act*  
 23          *(42 U.S.C. 300ff–80 et seq.) is amended to read as follows:*



1                   **“PART E—GENERAL PROVISIONS**

2   **“SEC. 2681. COORDINATION.**

3           “(a) *REQUIREMENT.*—*The Secretary shall ensure that*  
4 *the Health Resources and Services Administration, the Cen-*  
5 *ters for Disease Control and Prevention, the Substance*  
6 *Abuse and Mental Health Services Administration, and the*  
7 *Centers for Medicare & Medicaid Services coordinate the*  
8 *planning, funding, and implementation of Federal HIV*  
9 *programs including the Minority AIDS Initiative under*  
10 *section 2693 to enhance the continuity of care and preven-*  
11 *tion services for individuals with HIV/AIDS or those at risk*  
12 *of such disease. The Secretary shall consult with other Fed-*  
13 *eral agencies, including the Department of Veterans Affairs,*  
14 *as needed and utilize planning information submitted to*  
15 *such agencies by the States and entities eligible for assist-*  
16 *ance under this title.*

17          “(b) *REPORT.*—*The Secretary shall biennially prepare*  
18 *and submit to the appropriate committees of the Congress*  
19 *a report concerning the coordination efforts at the Federal,*  
20 *State, and local levels described in this section, including*  
21 *a description of Federal barriers to HIV program integra-*  
22 *tion and a strategy for eliminating such barriers and en-*  
23 *hancing the continuity of care and prevention services for*  
24 *individuals with HIV/AIDS or those at risk of such disease.*

25          “(c) *INTEGRATION BY STATE.*—*As a condition of re-*  
26 *ceipt of funds under this title, a State shall provide assur-*

1 *ances to the Secretary that health support services funded*  
 2 *under this title will be integrated with other such services,*  
 3 *that programs will be coordinated with other available pro-*  
 4 *grams (including Medicaid), and that the continuity of care*  
 5 *and prevention services of individuals with HIV/AIDS is*  
 6 *enhanced.*

7       “(d) *INTEGRATION BY LOCAL OR PRIVATE ENTI-*  
 8 *TIES.—As a condition of receipt of funds under this title,*  
 9 *a local government or private nonprofit entity shall provide*  
 10 *assurances to the Secretary that services funded under this*  
 11 *title will be integrated with other such services, that pro-*  
 12 *grams will be coordinated with other available programs*  
 13 *(including Medicaid), and that the continuity of care and*  
 14 *prevention services of individuals with HIV is enhanced.*

15 **“SEC. 2682. AUDITS.**

16       “(a) *IN GENERAL.—For fiscal year 2007, and each*  
 17 *subsequent fiscal year, the Secretary may reduce the*  
 18 *amounts of grants under this title to a State or political*  
 19 *subdivision of a State for a fiscal year if, with respect to*  
 20 *such grants for the second preceding fiscal year, the State*  
 21 *or subdivision fails to prepare audits in accordance with*  
 22 *the procedures of section 7502 of title 31, United States*  
 23 *Code. The Secretary shall annually select representative*  
 24 *samples of such audits, prepare summaries of the selected*  
 25 *audits, and submit the summaries to the Congress.*

1       “(b) *POSTING ON THE INTERNET.*—All audits that the  
 2       Secretary receives from the State lead agency under section  
 3       2617(b)(4) shall be posted on the Internet website of the  
 4       Health Resources and Services Administration.

5       **“SEC. 2683. PUBLIC HEALTH EMERGENCY.**

6       “(a) *IN GENERAL.*—In an emergency area and during  
 7       an emergency period, the Secretary shall have the authority  
 8       to waive such requirements of this title to improve the  
 9       health and safety of those receiving care under this title and  
 10      the general public, except that the Secretary may not ex-  
 11      pend more than 5 percent of the funds allocated under this  
 12      title for sections 2620 and section 2603(b).

13      “(b) *EMERGENCY AREA AND EMERGENCY PERIOD.*—  
 14      In this section:

15               “(1) *EMERGENCY AREA.*—The term ‘emergency  
 16      area’ means a geographic area in which there exists—

17                       “(A) an emergency or disaster declared by  
 18                       the President pursuant to the National Emer-  
 19                       gencies Act of the Robert T. Stafford Disaster  
 20                       Relief and Emergency Assistance Act; and

21                       “(B) a public health emergency declared by  
 22                       the Secretary pursuant to section 319.

23               “(2) *EMERGENCY PERIOD.*—The term ‘emergency  
 24      period’ means the period in which there exists—

1           “(A) an emergency or disaster declared by  
 2           the President pursuant to the National Emer-  
 3           gencies Act of the Robert T. Stafford Disaster  
 4           Relief and Emergency Assistance Act; and

5           “(B) a public health emergency declared by  
 6           the Secretary pursuant to section 319.

7           “(c) *UNOBLIGATED FUNDS.*—If funds under a grant  
 8           under this section are not expended for an emergency in  
 9           the fiscal year in which the emergency is declared, such  
 10          funds shall be returned to the Secretary for reallocation  
 11          under sections 2603(b) and 2620.

12       **“SEC. 2684. PROHIBITION ON PROMOTION OF CERTAIN AC-**  
 13               **TIVITIES.**

14           “None of the funds appropriated under this title shall  
 15           be used to fund AIDS programs, or to develop materials,  
 16           designed to promote or encourage, directly, intravenous  
 17           drug use or sexual activity, whether homosexual or hetero-  
 18           sexual. Funds authorized under this title may be used to  
 19           provide medical treatment and support services for individ-  
 20           uals with HIV.

21       **“SEC. 2685. PRIVACY PROTECTIONS.**

22           “*The Secretary shall collect client-level data under this*  
 23           *title in a manner that is consistent with the unique identi-*  
 24           *fier as reported to the Director of the Centers for Disease*

1 *Control and Prevention as of the date of enactment of this*  
 2 *section.*

3 **“SEC. 2686. GAO REPORT.**

4       *“The Comptroller General of the Government Account-*  
 5 *ability Office shall biennially submit to the appropriate*  
 6 *committees of Congress a report that includes a description*  
 7 *of Federal, State, and local barriers to HIV program inte-*  
 8 *gration, particularly for racial and ethnic minorities, and*  
 9 *recommendations for enhancing the continuity of care and*  
 10 *the provision of prevention services for individuals with*  
 11 *HIV/AIDS or those at risk for such disease. Such report*  
 12 *shall include a demonstration of the manner in which funds*  
 13 *under this subpart are being expended and to what extent*  
 14 *the services provided with such funds increase access to pre-*  
 15 *vention and care services for individuals with HIV/AIDS*  
 16 *and build stronger community linkages to address HIV pre-*  
 17 *vention and care for racial and ethnic minority commu-*  
 18 *nities.*

19 **“SEC. 2687. DEFINITIONS.**

20       *“For purposes of this title:*

21               *“(1) COUNSELING.—The term ‘counseling’ means*  
 22 *such counseling provided by an individual trained to*  
 23 *provide such counseling.*

24               *“(2) FAMILY-CENTERED CARE.—The term ‘fam-*  
 25 *ily-centered care’ means the system of services de-*

scribed in this section that is targeted specifically to the special needs of infants, children, women and families. Family-centered care shall be based on a partnership between parents, professionals, and the community designed to ensure an integrated, coordinated, culturally sensitive, and community-based continuum of care for children, women, and families with HIV/AIDS.

“(3) *FAMILIES WITH HIV/AIDS*.—The term ‘families with HIV/AIDS’ means families in which one or more members have HIV/AIDS.

“(4) *HIV*.—The term ‘HIV’ means infection with the etiologic agent for acquired immune deficiency syndrome.

“(5) *HIV/AIDS*.—The term ‘HIV/AIDS’ means infection with the etiologic agent for acquired immune deficiency syndrome, and includes any condition arising from such syndrome.

“(6) *OFFICIAL POVERTY LINE*.—The term ‘official poverty line’ means the poverty line established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

1           “(7) *PERSON*.—The term ‘person’ includes one or  
 2           more individuals, governments (including the Federal  
 3           Government and the governments of the States), gov-  
 4           ernmental agencies, political subdivisions, labor  
 5           unions, partnerships, associations, corporations, legal  
 6           representatives, mutual companies, joint-stock compa-  
 7           nies, trusts, unincorporated organizations, receivers,  
 8           trustees, and trustees in cases under title 11, United  
 9           States Code.

10           “(8) *STATE*.—The term ‘State’, except as other-  
 11           wise specifically provided, means each of the 50  
 12           States, the District of Columbia, the Virgin Islands,  
 13           Guam, American Samoa, the Commonwealth of the  
 14           Northern Mariana Islands, Puerto Rico, and the Re-  
 15           public of the Marshall Islands.

16           “(9) *YOUTH WITH HIV*.—The term ‘youth with  
 17           HIV’ means individuals who are 13 through 24 years  
 18           old and who have HIV/AIDS.”.

## 19   **TITLE VI—DEMONSTRATION AND** 20           **TRAINING**

### 21   **SEC. 601. DEMONSTRATION AND TRAINING.**

22           Subpart I of part F of title XXVI of the Public Health  
 23           Service Act (42 U.S.C. 300ff–101 et seq.) is amended to read  
 24           as follows:

1       **“PART F—DEMONSTRATION AND TRAINING**

2       **“Subpart I—Special Projects of National Significance**

3       **“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFI-**  
 4               **CANCE.**

5           “(a) *IN GENERAL.*—Of the amount appropriated  
 6 under each of parts A, B, C, and D for each fiscal year,  
 7 the Secretary shall use the greater of \$20,000,000 or an  
 8 amount equal to 3 percent of such amount appropriated  
 9 under each such part, but not to exceed \$25,000,000, to ad-  
 10 minister special projects of national significance to—

11               “(1) *quickly respond to emerging needs of indi-*  
 12               *viduals receiving assistance under this title; and*

13               “(2) *to fund special programs to develop a*  
 14               *standard electronic client information data system to*  
 15               *improve the ability of grantees under this title to re-*  
 16               *port client-level data to the Secretary.*

17           “(b) *GRANTS.*—The Secretary shall award grants  
 18 under subsection (a) to entities eligible for funding under  
 19 parts A, B, C, and D based on—

20               “(1)(A) *whether the funding will promote obtain-*  
 21               *ing client level data as it relates to the creation of a*  
 22               *severity of need index under section*  
 23               *2618(a)(2)(E)(iii), including funds to facilitate the*  
 24               *purchase and enhance the utilization of qualified*  
 25               *health information technology systems;*



1           “(B) *demonstrated ability to create and main-*  
 2           *tain a qualified health information technology system;*

3           “(C) *the potential replicability of the proposed*  
 4           *activity in other similar localities or nationally;*

5           “(D) *the demonstrated reliability of the proposed*  
 6           *qualified health information technology system across*  
 7           *a variety of providers, geographic regions, and clients;*  
 8           *and*

9           “(E) *the demonstrated ability to maintain a safe*  
 10          *and secure qualified health information system; or*

11          “(2) *newly emerging needs of individuals receiv-*  
 12          *ing assistance under this title.*

13          “(c) *COORDINATION.—The Secretary may not make a*  
 14          *grant under this section unless the applicant submits evi-*  
 15          *dence that the proposed program is consistent with the*  
 16          *statewide coordinated statement of need, and the applicant*  
 17          *agrees to participate in the ongoing revision process of such*  
 18          *statement of need.*

19          “(d) *PRIVACY PROTECTION.—The Secretary may not*  
 20          *make a grant under this section for the development of a*  
 21          *qualified health information technology system unless the*  
 22          *applicant provides assurances to the Secretary that the sys-*  
 23          *tem will comply with the privacy regulations promulgated*  
 24          *under section 264(c) of the Health Insurance Portability*  
 25          *and Accountability Act of 1996.*

1       “(e) *REPLICATION.*—*The Secretary shall make infor-*  
 2 *mation concerning successful models or programs developed*  
 3 *under this part available to grantees under this title for*  
 4 *the purpose of coordination, replication, and integration.*  
 5 *To facilitate efforts under this subsection, the Secretary*  
 6 *may provide for peer-based technical assistance from grant-*  
 7 *ees funded under this part.”.*

8   **SEC. 602. AIDS EDUCATION AND TRAINING CENTERS.**

9       *Section 2692(a)(2) of the Public Health Service Act*  
 10 *(42 U.S.C. 300ff–92(a)(2)) is amended—*

11           *(1) in subparagraph (A)—*

12                   *(A) by inserting “and Native Americans”*  
 13 *after “minority individuals”; and*

14                   *(B) by striking “and” at the end;*

15           *(2) in subparagraph (B), by striking the period*  
 16 *and inserting “; and”; and*

17           *(3) by adding at the end the following:*

18                   *“(C) train or result in the training of*  
 19 *health professionals and allied health profes-*  
 20 *sionals to provide treatment for hepatitis B or C*  
 21 *co-infected individuals.”.*

1 **SEC. 603. CODIFICATION OF MINORITY AIDS INITIATIVE**  
 2 **UNDER RYAN WHITE COMPREHENSIVE AIDS**  
 3 **RESOURCES EMERGENCY ACT OF 1990.**

4 *Part F of title XXVI of the Public Health Service Act*  
 5 *(42 U.S.C. 300ff–101 et seq.) is amended by adding at the*  
 6 *end the following:*

7 **“Subpart II—Minority AIDS Initiative**

8 **“SEC. 2693. MINORITY AIDS INITIATIVE.**

9 *“(a) IN GENERAL.—There is authorized to be appro-*  
 10 *priated for the purpose of carrying out activities under this*  
 11 *section to evaluate and address the disproportionate impact*  
 12 *of HIV disease and disparities in access, treatment, care,*  
 13 *and outcome on racial and ethnic minorities, including Af-*  
 14 *rican Americans, Alaska Natives, Latinos, American Indi-*  
 15 *ans, Asian Americans, Native Hawaiians, and Pacific Is-*  
 16 *landers, \$131,200,000 for fiscal year 2007, \$135,100,000 for*  
 17 *fiscal year 2008, \$139,100,000 for fiscal year 2009,*  
 18 *\$143,200,000 for fiscal year 2010, and \$147,500,000 for fis-*  
 19 *cal year 2010.*

20 *“(b) CERTAIN ACTIVITIES.—*

21 *“(1) IN GENERAL.—In carrying out the purpose*  
 22 *described in subsection (a), the Secretary shall pro-*  
 23 *vide for—*

24 *“(A) emergency assistance under part A;*

25 *“(B) comprehensive care under part B;*

1           “(C) *early intervention services under part*  
2           C;

3           “(D) *services through demonstration*  
4           *projects for HIV-related care; and*

5           “(E) *activities through education and train-*  
6           *ing centers under section 2692.*

7           “(2) *ALLOCATIONS AMONG ACTIVITIES.—Activi-*  
8           *ties under paragraph (1) shall be carried out by the*  
9           *Secretary in accordance with the following:*

10           “(A) *Of the amount appropriated for each*  
11           *fiscal year under subsection (a), \$43,800,000 for*  
12           *fiscal year 2007, \$45,400,000 for fiscal year*  
13           *2008, \$47,100,000 for fiscal year 2009,*  
14           *\$48,800,000 for fiscal year 2010, and*  
15           *\$50,700,000 for fiscal year 2010, shall be used*  
16           *for competitive, supplemental grants to improve*  
17           *HIV-related health outcomes to reduce existing*  
18           *racial and ethnic health disparities.*

19           “(B) *Of the amount appropriated for each*  
20           *fiscal year under subsection (a), \$7,000,000 for*  
21           *fiscal year 2007, \$7,300,000 for fiscal year 2008,*  
22           *\$7,500,000 for fiscal year 2009, \$7,800,000 for*  
23           *fiscal year 2010, and \$8,100,000 for fiscal year*  
24           *2010, shall be used for competitive, supplemental*  
25           *support educational and outreach services to in-*

1       crease the number of eligible racial and ethnic  
2       minorities who have access to treatment through  
3       the program under section 2616 for therapeutics.

4               “(C) Of the amount appropriated for each  
5       fiscal year under subsection (a), \$53,400,000 for  
6       fiscal year 2007, \$55,400,000 for fiscal year  
7       2008, \$57,400,000 for fiscal year 2009,  
8       \$59,500,000 for fiscal year 2010, and  
9       \$61,800,000 for fiscal year 2010, shall be used  
10      for planning grants, capacity-building grants,  
11      and services grants to health care providers who  
12      have a history of providing culturally and lin-  
13      guistically appropriate care and services to ra-  
14      cial and ethnic minorities.

15              “(D) Of the amount appropriated for each  
16      fiscal year under subsection (a), \$18,500,000 for  
17      each of fiscal years 2007 through 2011 shall be  
18      used for sustaining and expanding efforts to de-  
19      liver comprehensive, culturally and linguistically  
20      appropriate research-based intervention and care  
21      services for HIV disease to racial and ethnic mi-  
22      nority women, infants, children, and youth.

23              “(E) Of the amount appropriated for each  
24      fiscal year under subsection (a), \$8,500,000 for  
25      each of fiscal years 2007 through 2011 shall be

1        *used for increasing the training capacity of cen-*  
 2        *ters to expand the number of community-based*  
 3        *racial and ethnic minority health care profes-*  
 4        *sionals with treatment expertise and knowledge*  
 5        *about the most appropriate standards of HIV*  
 6        *disease-related treatments and medical care for*  
 7        *adults, adolescents, and children with HIV dis-*  
 8        *ease.*

9        “(e) *CONSISTENCY WITH PRIOR PROGRAM.*—With re-  
 10       *spect to the purpose described in subsection (a), the Sec-*  
 11       *retary shall carry out this section consistent with the activi-*  
 12       *ties carried out under this title by the Secretary pursuant*  
 13       *to the Departments of Labor, Health and Human Services,*  
 14       *and Education, and Related Agencies Appropriations Act,*  
 15       *2002 (Public Law 107–116).”.*

16       **SEC. 604. AUTHORIZATION OF APPROPRIATIONS.**

17       *Section 2692(c) of the Public Health Service Act (42*  
 18       *U.S.C. 300ff–92(c)) is amended to read as follows:*

19       “(c) *AUTHORIZATION OF APPROPRIATIONS.*—

20                “(1) *SCHOOLS; CENTERS.*—For the purpose of  
 21       *awarding grants under subsection (a), there and au-*  
 22       *thorized to be appropriated \$34,700,000 for each of*  
 23       *fiscal years 2007 through 2011.*

24                “(2) *DENTAL SCHOOLS.*—For the purpose of  
 25       *awarding grants under paragraphs (2) and (3) of*

1        *subsection (b), there are authorized to be appropriated*  
 2        *\$13,000,000 for each of fiscal years 2007 through*  
 3        *2011.”.*

4        ***TITLE VII—MISCELLANEOUS***  
 5        ***PROVISIONS***

6        ***SEC. 701. HEPATITIS.***

7        *(a) PROVISION OF CERTAIN COUNSELING SERVICES.—*  
 8        *Section 2662 of the Public Health Service Act (42 U.S.C.*  
 9        *300ff-62) is amended—*

10        *(1) in subsection (a)—*

11                *(A) in paragraph (1), by inserting “, hepa-*  
 12                *titis B, and hepatitis C” before the semicolon;*

13                *(B) in paragraph (2), by inserting “and*  
 14                *testing for hepatitis B and hepatitis C” before*  
 15                *the semicolon;*

16                *(C) in paragraph (6), by striking “and” at*  
 17                *the end;*

18                *(D) in paragraph (7), by striking the pe-*  
 19                *riod and inserting “; and”; and*

20                *(E) by adding at the end the following:*

21                *“(8) if diagnosed with chronic hepatitis B or*  
 22                *hepatitis C co-infection, the potential of developing*  
 23                *hepatitis-related liver disease and its impact on HIV/*  
 24                *AIDS.”; and*

1           (2) in subsection (c)(3)(C)(i), by inserting “,  
2           hepatitis B, or hepatitis B” after “exposed to HIV”  
3           each place that such appears.

4           (b) *USE OF AMOUNTS.*—Section 2667 of the Public  
5           Health Service Act (42 U.S.C. 300ff–67) is amended—

6           (1) in paragraph (2), by striking “and” at the  
7           end;

8           (2) in paragraph (3), by striking the period and  
9           inserting “; and”; and

10          (3) by adding at the end the following:

11          “(4) shall provide information on the trans-  
12          mission and prevention of hepatitis A, B, and C and  
13          the location of entities that provide hepatitis A and  
14          B vaccinations to individuals with HIV.”.

15       **SEC. 702. TECHNICAL PROVISIONS.**

16          Title XXVI of the Public Health Service Act (42 U.S.C.  
17          300ff et seq.) is amended by striking “HIV disease” each  
18          place that such appears and inserting “HIV/AIDS”.

19       **SEC. 703. REPEAL.**

20          Section 2677 of the Public Health Service Act (42  
21          U.S.C. 300ff–77) is repealed.





Calendar No. 580

109TH CONGRESS  
2D Session

**S. 2823**

**A BILL**

To provide life-saving care for those with HIV/  
AIDS.

August 3, 2006

Reported with an amendment